



**HOUSE PROPOSED  
2005-07  
BIENNIAL OPERATING BUDGET**

**STRIKING  
AMENDMENT TO  
ESSB 6090**

**APRIL 6, 2005**

**REPRESENTATIVE SOMMERS, CHAIR  
HOUSE APPROPRIATIONS COMMITTEE**

**ESSB 6090** - H COMM AMD

By Committee on Appropriations

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject  
4 to the provisions set forth in the following sections, the several  
5 amounts specified in parts I through VIII of this act, or so much  
6 thereof as shall be sufficient to accomplish the purposes designated,  
7 are hereby appropriated and authorized to be incurred for salaries,  
8 wages, and other expenses of the agencies and offices of the state and  
9 for other specified purposes for the fiscal biennium beginning July 1,  
10 2005, and ending June 30, 2007, except as otherwise provided, out of  
11 the several funds of the state hereinafter named.

12 (2) Unless the context clearly requires otherwise, the definitions  
13 in this section apply throughout this act.

14 (a) "Fiscal year 2006" or "FY 2006" means the fiscal year ending  
15 June 30, 2006.

16 (b) "Fiscal year 2007" or "FY 2007" means the fiscal year ending  
17 June 30, 2007.

18 (c) "FTE" means full time equivalent.

19 (d) "Lapse" or "revert" means the amount shall return to an  
20 unappropriated status.

21 (e) "Provided solely" means the specified amount may be spent only  
22 for the specified purpose.

23 Unless otherwise specifically authorized in this act, any portion  
24 of an amount provided solely for a specified purpose which is  
25 unnecessary to fulfill the specified purpose shall lapse.

26 **PART I**

27 **GENERAL GOVERNMENT**

1            NEW SECTION.    **Sec. 101.    FOR THE HOUSE OF REPRESENTATIVES**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$29,300,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$29,372,000
4	TOTAL APPROPRIATION . . . . .	\$58,672,000

5            The appropriations in this section are subject to the following  
6 conditions and limitations:    \$150,000 of the general fund--state  
7 appropriation for fiscal year 2004 is provided solely for the joint  
8 select committee on fiscal stability.

9            (1) The joint select committee on fiscal stability is created,  
10 consisting of twelve members as follows:    Three members shall be  
11 appointed by the leader of each of the two largest caucuses of the  
12 senate and the two largest caucuses of the house of representatives.  
13 The governor shall appoint an additional person to serve as the chair  
14 of the committee.    The chair may vote on procedural questions, but may  
15 not vote on substantive questions concerning the research or  
16 recommendations of the committee.

17            (2) The committee shall develop recommendations for specific  
18 statutory and constitutional provisions to establish or revise the  
19 following:

- 20            (a) Spending limits;
- 21            (b) Tax limits;
- 22            (c) Emergency reserve accounts; and
- 23            (d) Tax reforms necessary to:    Create a sustainable system of state  
24 and local finance; improve the fairness of state and local taxation;  
25 and improve the competitiveness of Washington's economy.

26            (3) The committee shall conduct a series of public hearings on  
27 these topics and its proposed recommendations.    The hearings shall be  
28 held in locations across the state and structured to encourage full  
29 participation by persons who represent a balance of perspectives and  
30 constituencies.    The committee shall submit its findings and  
31 recommendations in a report to the fiscal committees of the legislature  
32 by January 1, 2006.

33            (4) The committee shall use legislative facilities and staff from  
34 senate committee services and the office of program research.    The  
35 department of revenue shall provide necessary support and information  
36 to the committee.    The chair of the committee shall be reimbursed for  
37 travel expenses in accordance with RCW 43.03.050 and 43.03.060.    All

1 expenses of the committee, including travel, shall be paid jointly by  
2 the senate and the house of representatives.

3 NEW SECTION. **Sec. 102. FOR THE SENATE**

4	General Fund--State Appropriation (FY 2006) . . . . .	\$22,623,000
5	General Fund--State Appropriation (FY 2007) . . . . .	\$24,301,000
6	TOTAL APPROPRIATION . . . . .	\$46,924,000

7 The appropriations in this section are subject to the following  
8 conditions and limitations: \$150,000 of the general fund--state  
9 appropriation for fiscal year 2004 is provided solely for the joint  
10 select committee on fiscal stability.

11 (1) The joint select committee on fiscal stability is created,  
12 consisting of twelve members as follows: Three members shall be  
13 appointed by the leader of each of the two largest caucuses of the  
14 senate and the two largest caucuses of the house of representatives.  
15 The governor shall appoint an additional person to serve as the chair  
16 of the committee. The chair may vote on procedural questions, but may  
17 not vote on substantive questions concerning the research or  
18 recommendations of the committee.

19 (2) The committee shall develop recommendations for specific  
20 statutory and constitutional provisions to establish or revise the  
21 following:

- 22 (a) Spending limits;
- 23 (b) Tax limits;
- 24 (c) Emergency reserve accounts; and
- 25 (d) Tax reforms necessary to: Create a sustainable system of state  
26 and local finance; improve the fairness of state and local taxation;  
27 and improve the competitiveness of Washington's economy.

28 (3) The committee shall conduct a series of public hearings on  
29 these topics and its proposed recommendations. The hearings shall be  
30 held in locations across the state and structured to encourage full  
31 participation by persons who represent a balance of perspectives and  
32 constituencies. The committee shall submit its findings and  
33 recommendations in a report to the fiscal committees of the legislature  
34 by January 1, 2006.

35 (4) The committee shall use legislative facilities and staff from  
36 senate committee services and the office of program research. The  
37 department of revenue shall provide necessary support and information

1 to the committee. The chair of the committee shall be reimbursed for  
2 travel expenses in accordance with RCW 43.03.050 and 43.03.060. All  
3 expenses of the committee, including travel, shall be paid jointly by  
4 the senate and the house of representatives.

5 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**  
6 **COMMITTEE**

7	General Fund--State Appropriation (FY 2006) . . . . .	\$3,124,000
8	General Fund--State Appropriation (FY 2007) . . . . .	\$3,094,000
9	TOTAL APPROPRIATION . . . . .	\$6,218,000

10 The appropriations in this section are subject to the following  
11 conditions and limitations:

12 (1) \$563,000 of the general fund--state appropriation for fiscal  
13 year 2006 and \$863,000 of the general fund--state appropriation for  
14 fiscal year 2007 are provided solely for consultant costs related to  
15 the support of the citizen advisory board required by House Bill No.  
16 1064 (government accountability). If House Bill No. 1064 is not  
17 enacted by June 30, 2005, the amounts provided in this subsection shall  
18 lapse.

19 (2) \$374,000 of the general fund--state appropriation for fiscal  
20 year 2006 and \$360,000 of the general fund--state appropriation for  
21 fiscal year 2007 are provided solely for consultant costs related to  
22 the citizen commission for performance measurement of tax preferences  
23 required by House Bill No. 1069 (audits of tax preferences). If House  
24 Bill No. 1069 is not enacted by June 30, 2005, the amounts provided in  
25 this subsection shall lapse.

26 (3) \$188,000 of the general fund--state appropriation for fiscal  
27 year 2006 is provided solely for the cost of evaluating the  
28 effectiveness of the job development fund grant program required by  
29 House Bill No. 1903 (creating a job development fund). If House Bill  
30 No. 1903 is not enacted by June 30, 2005, the amount provided in this  
31 subsection shall lapse.

32 (4) \$100,000 of the general fund--state appropriation is provided  
33 solely for an evaluation of the budget process used for information  
34 technology projects. The evaluation will include: Itemizing total  
35 costs for current information technology funding across state agencies;  
36 analyzing current processes by which information funding is requested  
37 and evaluated; analyzing processes used in the private sector and other

1 states; and assessing the applicability of other practices for  
2 improving the state's funding process. A report is due in January  
3 2006.

4 (5) \$125,000 of the general fund--state appropriation for fiscal  
5 year 2006 is provided solely for a study of the current state pupil  
6 transportation funding formula. The study will evaluate the extent to  
7 which the formula captures the costs of providing pupil transportation  
8 for basic education programs. Based on the results of this evaluation,  
9 the study shall develop alternative formulas for allocating state  
10 funding to school districts for the transportation of students for  
11 basic education programs. The alternative formulas shall take into  
12 account the legislative definition of basic education programs, promote  
13 the efficient use of state and local resources, and allow local  
14 district control over the management of pupil transportation systems.  
15 In addition, the study shall include a review of the funding mechanisms  
16 used by other states and identify best practices.

17 (6) Within amounts provided in this section, the committee shall  
18 conduct a review of the special education excess cost accounting  
19 methodology and expenditure reporting requirements. The committee  
20 shall work with the state auditor's office and develop a mutually  
21 acceptable work plan in conducting this review. This review may  
22 include, but is not limited to: (a) An analysis of the current special  
23 education excess cost accounting methodology and related special  
24 education expenditure reporting requirements; (b) an examination of  
25 whether opportunities exist for modifying the current excess cost  
26 accounting methodology and expenditure reporting requirements; (c) an  
27 assessment of the potential impact on school districts if the current  
28 excess cost accounting methodology and expenditure reporting  
29 requirements are modified; and (d) any findings and recommendations  
30 from the state auditor's office examination of whether school districts  
31 are appropriately and consistently applying the current excess cost  
32 methodology. The committee shall provide a report to the appropriate  
33 policy and fiscal committees of the legislature in January 2006.

34 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**  
35 **ACCOUNTABILITY PROGRAM COMMITTEE**

36	General Fund--State Appropriation (FY 2006) . . . . .	\$1,677,000
37	General Fund--State Appropriation (FY 2007) . . . . .	\$1,829,000

1 TOTAL APPROPRIATION . . . . . \$3,506,000

2 NEW SECTION. **Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY**

3 Department of Retirement Systems Expense Account--  
4 State Appropriation . . . . . \$2,902,000

5 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**  
6 **COMMITTEE**

7 General Fund--State Appropriation (FY 2006) . . . . . \$7,142,000  
8 General Fund--State Appropriation (FY 2007) . . . . . \$7,038,000  
9 TOTAL APPROPRIATION . . . . . \$14,180,000

10 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

11 General Fund--State Appropriation (FY 2006) . . . . . \$3,975,000  
12 General Fund--State Appropriation (FY 2007) . . . . . \$4,209,000  
13 TOTAL APPROPRIATION . . . . . \$8,184,000

14 NEW SECTION. **Sec. 108. LEGISLATIVE AGENCIES.** In order to achieve  
15 operating efficiencies within the financial resources available to the  
16 legislative branch, the executive rules committee of the house of  
17 representatives and the facilities and operations committee of the  
18 senate by joint action may transfer funds among the house of  
19 representatives, senate, joint legislative audit and review committee,  
20 legislative evaluation and accountability program committee,  
21 legislative transportation committee, office of the state actuary,  
22 joint legislative systems committee, and statute law committee.

23 NEW SECTION. **Sec. 109. FOR THE SUPREME COURT**

24 General Fund--State Appropriation (FY 2006) . . . . . \$5,901,000  
25 General Fund--State Appropriation (FY 2007) . . . . . \$6,057,000  
26 TOTAL APPROPRIATION . . . . . \$11,958,000

27 NEW SECTION. **Sec. 110. FOR THE LAW LIBRARY**

28 General Fund--State Appropriation (FY 2006) . . . . . \$1,983,000  
29 General Fund--State Appropriation (FY 2007) . . . . . \$1,982,000  
30 TOTAL APPROPRIATION . . . . . \$3,965,000

1            NEW SECTION.    **Sec. 111.    FOR THE COURT OF APPEALS**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$13,541,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$13,798,000
4	TOTAL APPROPRIATION . . . . .	\$27,339,000

5            NEW SECTION.    **Sec. 112.    FOR THE COMMISSION ON JUDICIAL CONDUCT**

6	General Fund--State Appropriation (FY 2006) . . . . .	\$1,035,000
7	General Fund--State Appropriation (FY 2007) . . . . .	\$1,063,000
8	TOTAL APPROPRIATION . . . . .	\$2,098,000

9            NEW SECTION.    **Sec. 113.    FOR THE ADMINISTRATOR FOR THE COURTS**

10	General Fund--State Appropriation (FY 2006) . . . . .	\$18,893,000
11	General Fund--State Appropriation (FY 2007) . . . . .	\$18,991,000
12	Public Safety and Education Account--State	
13	Appropriation . . . . .	\$49,324,000
14	Judicial Information Systems Account--State	
15	Appropriation . . . . .	\$25,199,000
16	Trial Court Improvement Account--State Appropriation . . .	\$1,440,000
17	TOTAL APPROPRIATION . . . . .	\$113,847,000

18            The appropriations in this section are subject to the following  
19 conditions and limitations:

20            (1) \$900,000 of the general fund--state appropriation for fiscal  
21 year 2006 and \$900,000 of the general fund--state appropriation for  
22 fiscal year 2007 are provided solely for court-appointed special  
23 advocates in dependency matters. The administrator for the courts  
24 shall not retain more than six percent of total funding to cover  
25 administrative or any other agency costs.

26            (2) \$720,000 of the trial court improvement account--state  
27 appropriation for fiscal year 2006 and \$720,000 of the trial court  
28 improvement account--state appropriation for fiscal year 2006 are  
29 provided for the implementation of Engrossed Second Substitute House  
30 Bill No. 5454 (revising trial court funding provisions). If the bill  
31 is not enacted by June 30, 2005, the amount provided in this subsection  
32 shall lapse.

33            (3) \$82,000 of the general fund--state appropriation for fiscal  
34 year 2006 and \$82,000 of the general fund--state appropriation for  
35 fiscal year 2007 are provided solely for the implementation of House

1 Bill No. 1112 (creating an additional superior court position). If the  
2 bill is not enacted by June 30, 2005, the amounts in this subsection  
3 shall lapse.

4 (4) \$17,000 of the general fund--state appropriation for fiscal  
5 year 2006 and \$11,000 of the general fund--state appropriation for  
6 fiscal year 2007 are provided solely for the implementation of  
7 Substitute House Bill No. 1854 (driving privilege). If the bill is not  
8 enacted by June 30, 2005, the amounts in this subsection shall lapse.

9 NEW SECTION. **Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE**

10	General Fund--State Appropriation (FY 2006) . . . . .	\$690,000
11	General Fund--State Appropriation (FY 2007) . . . . .	\$1,078,000
12	Public Safety and Education Account--State	
13	Appropriation . . . . .	\$13,288,000
14	Judicial Improvement Account--State Appropriation . . . . .	\$8,260,000
15	TOTAL APPROPRIATION . . . . .	\$23,316,000

16 The appropriations in this section are subject to the following  
17 conditions and limitations:

18 (1) \$3,500,000 of the judicial improvement account--state  
19 appropriation for fiscal year 2006 and \$3,500,000 of the judicial  
20 improvement account--state appropriation for fiscal year 2007 are  
21 provided solely to expand the parent representation project in  
22 dependency and termination cases. If Engrossed Second Substitute Bill  
23 No. 5454 (revising trial court funding provisions) is not enacted by  
24 June 30, 2005, the amounts provided in this subsection shall lapse.

25 (2) \$630,000 of the judicial improvement account--state  
26 appropriation for fiscal year 2006 and \$630,000 of the judicial  
27 improvement account--state appropriation for fiscal year 2007 are  
28 provided for trial level indigent defense pursuant to Engrossed Second  
29 Substitute Bill No. 5454 (revising trial court funding provisions). If  
30 the bill is not enacted by June 30, 2005, the amounts provided in this  
31 subsection shall lapse.

32 (3) Amounts provided from the public safety and education account  
33 appropriation in this section include funding for investigative  
34 services in death penalty personal restraint petitions.

35 (4) \$300,000 of the general fund--state appropriation for fiscal  
36 year 2006 and \$300,000 of the general fund--state appropriation for  
37 fiscal year 2007 are provided solely to contract with the Washington

1 defender association to continue services previously funded from the  
2 federal drug control and system improvement formula grant through the  
3 department of community, trade, and economic development.

4 NEW SECTION. **Sec. 115. FOR THE OFFICE OF CIVIL LEGAL AID**

5	General Fund--State Appropriation (FY 2006) . . . . .	\$916,000
6	General Fund--State Appropriation (FY 2007) . . . . .	\$2,832,000
7	Public Safety and Education Account--State	
8	Appropriation . . . . .	\$4,701,000
9	Violence Reduction and Drug Enforcement Account--	
10	State Appropriation . . . . .	\$4,958,000
11	Judicial Improvement Account--State Appropriation . . . . .	\$3,000,000
12	TOTAL APPROPRIATION . . . . .	\$16,407,000

13 The appropriations in this section are subject to the following  
14 conditions and limitations:

15 (1) \$916,000 of the general fund--state appropriation for fiscal  
16 year 2006, \$2,832,000 of the general fund--state appropriation for  
17 fiscal year 2007, \$4,701,000 of the public safety and education  
18 account--state appropriation, and \$4,958,000 of the violence reduction  
19 and drug enforcement account--state appropriation are contingent upon  
20 enactment of Substitute House Bill No. 1747 (civil legal services). If  
21 the bill is not enacted by June 30, 2005, these appropriations shall be  
22 made to the department of community, trade, and economic development  
23 and are provided solely for the purpose of civil legal services.

24 (2) \$3,000,000 of the judicial improvement account--state  
25 appropriation is provided for the implementation of Engrossed Second  
26 Substitute House Bill No. 5454 (revising trial court funding  
27 provisions). If the bill is not enacted by June 30, 2005, the amount  
28 provided in this subsection shall lapse.

29 NEW SECTION. **Sec. 116. FOR THE OFFICE OF THE GOVERNOR**

30	General Fund--State Appropriation (FY 2006) . . . . .	\$5,580,000
31	General Fund--State Appropriation (FY 2007) . . . . .	\$4,936,000
32	General Fund--Federal Appropriation . . . . .	\$1,350,000
33	Water Quality Account--State Appropriation . . . . .	\$4,112,000
34	TOTAL APPROPRIATION . . . . .	\$15,978,000

35 The appropriations in this section are subject to the following  
36 conditions and limitations:

1 (1) \$4,112,000 of the water quality account appropriation and  
2 \$1,150,000 of the general fund--federal appropriation are provided  
3 solely for the Puget Sound water quality action team to implement the  
4 Puget Sound conservation and recovery plan action items PSAT-01 through  
5 PSAT-06.

6 (2) \$200,000 of the general fund--state appropriation for fiscal  
7 year 2006, \$200,000 of the general fund--state appropriation for fiscal  
8 year 2007, and \$200,000 of the general fund--federal appropriation are  
9 provided solely for one-time corrective actions to address Hood canal's  
10 dissolved oxygen problems, the Puget Sound conservation and recovery  
11 plan action item PSAT-07.

12 (3) The Puget Sound water quality action team shall make  
13 recommendations to improve, change, or eliminate monitoring activities  
14 that impact performance measures related to salmon recovery and  
15 watershed health. The Puget Sound water quality action team shall  
16 coordinate with the governor's forum on monitoring and watershed health  
17 and consult with the office of financial management in determining the  
18 scope and contents of this report.

19 In preparing these recommendations, the Puget Sound water quality  
20 action team shall prepare a report detailing all new activity and  
21 updating all previously identified activity within the comprehensive  
22 monitoring strategy with a focus on salmon recovery and watershed  
23 health related monitoring activity within the agency. At a minimum,  
24 the report shall include sufficient detail identifying the specific  
25 salmon recovery and watershed health monitoring activity being  
26 performed and include: Precise costs by fund source, a narrative  
27 stating why it is required, when the activity started, the frequency of  
28 data collection, and geographic location of data being collected.  
29 Furthermore, the agency shall also provide sufficient detail that  
30 describes the purpose of each monitoring activity, who uses the  
31 information, how often it is accessed, where the information is stored,  
32 and the current status and cost, by fund source, of the data storage  
33 systems housing each monitoring activity identified within the agency.

34 The Puget Sound water quality action team shall provide a status  
35 report summarizing progress to the governor's forum on monitoring and  
36 watershed health and the office of financial management by March 1,  
37 2006. A final report to the governor's forum on monitoring and

1 watershed health, the office of financial management, and legislative  
2 fiscal committees is due no later than September 1, 2006.

3 (4) \$386,000 of the general fund--state appropriation for fiscal  
4 year 2006 and \$158,000 of the general fund--state appropriation for  
5 fiscal year 2007 are provided solely for the implementation of House  
6 Bill No. 1152 (early learning council). If House Bill No. 1152 is not  
7 enacted by June 30, 2005, the amounts provided in this subsection shall  
8 lapse.

9 (5) For the governor's funding request pursuant to RCW 74.39A.300  
10 to be submitted to the legislature by October 1, 2006, it is the intent  
11 of the legislature to consider a fringe benefits funding request that  
12 provides health care benefits substantially equivalent in cost to those  
13 available to individual providers pursuant to chapter 25, Laws of 2003.

14 NEW SECTION. **Sec. 117. FOR THE LIEUTENANT GOVERNOR**

15	General Fund--State Appropriation (FY 2006) . . . . .	\$761,000
16	General Fund--State Appropriation (FY 2007) . . . . .	\$762,000
17	TOTAL APPROPRIATION . . . . .	\$1,523,000

18 NEW SECTION. **Sec. 118. FOR THE PUBLIC DISCLOSURE COMMISSION**

19	General Fund--State Appropriation (FY 2006) . . . . .	\$2,013,000
20	General Fund--State Appropriation (FY 2007) . . . . .	\$1,998,000
21	TOTAL APPROPRIATION . . . . .	\$4,011,000

22 The appropriations in this section are subject to the following  
23 conditions and limitations: \$66,000 of the general fund--state  
24 appropriation for fiscal year 2006 and \$56,000 of the general fund--  
25 state appropriation for fiscal year 2007 are provided solely for the  
26 implementation of House Bill No. 1226 (campaign contribution limits).  
27 If House Bill No. 1226 is not enacted by June 30, 2005, the amounts  
28 provided in this subsection shall lapse.

29 NEW SECTION. **Sec. 119. FOR THE SECRETARY OF STATE**

30	General Fund--State Appropriation (FY 2006) . . . . .	\$18,749,000
31	General Fund--State Appropriation (FY 2007) . . . . .	\$16,807,000
32	General Fund--Federal Appropriation . . . . .	\$7,025,000
33	General Fund--Private/Local Appropriation . . . . .	\$125,000
34	Archives and Records Management Account--State	
35	Appropriation . . . . .	\$8,560,000

1	Department of Personnel Services Account--State	
2	Appropriation . . . . .	\$702,000
3	Local Government Archives Account--State	
4	Appropriation . . . . .	\$12,579,000
5	Election Account--Federal Appropriation . . . . .	\$47,498,000
6	TOTAL APPROPRIATION . . . . .	\$112,045,000

7       The appropriations in this section are subject to the following  
8 conditions and limitations:

9       (1) \$2,296,000 of the general fund--state appropriation for fiscal  
10 year 2006 is provided solely to reimburse counties for the state's  
11 share of primary and general election costs and the costs of conducting  
12 mandatory recounts on state measures. Counties shall be reimbursed  
13 only for those odd-year election costs that the secretary of state  
14 validates as eligible for reimbursement.

15       (2) \$1,999,000 of the general fund--state appropriation for fiscal  
16 year 2006 and \$2,403,000 of the general fund--state appropriation for  
17 fiscal year 2007 are provided solely for the verification of initiative  
18 and referendum petitions, maintenance of related voter registration  
19 records, and the publication and distribution of the voters and  
20 candidates pamphlet.

21       (3) \$125,000 of the general fund--state appropriation for fiscal  
22 year 2006 and \$118,000 of the general fund--state appropriation for  
23 fiscal year 2007 are provided solely for legal advertising of state  
24 measures under RCW 29.27.072.

25       (4)(a) \$2,028,004 of the general fund--state appropriation for  
26 fiscal year 2006 and \$2,063,772 of the general fund--state  
27 appropriation for fiscal year 2007 are provided solely for contracting  
28 with a nonprofit organization to produce gavel-to-gavel television  
29 coverage of state government deliberations and other events of  
30 statewide significance during the 2005-07 biennium. The funding level  
31 for each year of the contract shall be based on the amount provided in  
32 this subsection. The nonprofit organization shall be required to raise  
33 contributions or commitments to make contributions, in cash or in kind,  
34 in an amount equal to forty percent of the state contribution. The  
35 office of the secretary of state may make full or partial payment once  
36 all criteria in (a) and (b) of this subsection have been satisfactorily  
37 documented.

1 (b) The legislature finds that the commitment of on-going funding  
2 is necessary to ensure continuous, autonomous, and independent coverage  
3 of public affairs. For that purpose, the secretary of state shall  
4 enter into a contract with the nonprofit organization to provide public  
5 affairs coverage.

6 (c) The nonprofit organization shall prepare an annual independent  
7 audit, an annual financial statement, and an annual report, including  
8 benchmarks that measure the success of the nonprofit organization in  
9 meeting the intent of the program.

10 (d) No portion of any amounts disbursed pursuant to this subsection  
11 may be used, directly or indirectly, for any of the following purposes:

12 (i) Attempting to influence the passage or defeat of any  
13 legislation by the legislature of the state of Washington, by any  
14 county, city, town, or other political subdivision of the state of  
15 Washington, or by the congress, or the adoption or rejection of any  
16 rule, standard, rate, or other legislative enactment of any state  
17 agency;

18 (ii) Making contributions reportable under chapter 42.17 RCW; or

19 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,  
20 lodging, meals, or entertainment to a public officer or employee.

21 (5) \$196,000 of the general fund--state appropriation for fiscal  
22 year 2006 and \$173,000 of the general fund--state appropriation for  
23 fiscal year 2007 are provided for the implementation of House Bill No.  
24 1749 (county election procedures). If the bill is not enacted by June  
25 30, 2005, the amounts provided in this subsection shall lapse.

26 NEW SECTION. **Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN**  
27 **AFFAIRS**

28	General Fund--State Appropriation (FY 2006) . . . . .	\$344,000
29	General Fund--State Appropriation (FY 2007) . . . . .	\$349,000
30	TOTAL APPROPRIATION . . . . .	\$693,000

31 The appropriations in this section are subject to the following  
32 conditions and limitations: The office shall assist the department of  
33 personnel on providing the government-to-government training sessions  
34 for federal, state, local, and tribal government employees. The  
35 training sessions shall cover tribal historical perspectives, legal  
36 issues, tribal sovereignty, and tribal governments. Costs of the  
37 training sessions shall be recouped through a fee charged to the

1 participants of each session. The department of personnel shall be  
2 responsible for all of the administrative aspects of the training,  
3 including the billing and collection of the fees for the training.

4 NEW SECTION. **Sec. 121. FOR THE COMMISSION ON ASIAN-PACIFIC-**  
5 **AMERICAN AFFAIRS**

6	General Fund--State Appropriation (FY 2006) . . . . .	\$298,000
7	General Fund--State Appropriation (FY 2007) . . . . .	\$293,000
8	TOTAL APPROPRIATION . . . . .	\$591,000

9 NEW SECTION. **Sec. 122. FOR THE STATE TREASURER**

10	State Treasurer's Service Account--State	
11	Appropriation . . . . .	\$13,666,000

12 NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

13	General Fund--State Appropriation (FY 2006) . . . . .	\$2,160,000
14	General Fund--State Appropriation (FY 2007) . . . . .	\$2,818,000
15	State Auditing Services Revolving Account--State	
16	Appropriation . . . . .	\$13,645,000
17	TOTAL APPROPRIATION . . . . .	\$18,623,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations:

20 (1) Audits of school districts by the division of municipal  
21 corporations shall include findings regarding the accuracy of: (a)  
22 Student enrollment data; and (b) the experience and education of the  
23 district's certified instructional staff, as reported to the  
24 superintendent of public instruction for allocation of state funding.

25 (2) \$731,000 of the general fund--state appropriation for fiscal  
26 year 2006 and \$727,000 of the general fund--state appropriation for  
27 fiscal year 2007 are provided solely for staff and related costs to  
28 verify the accuracy of reported school district data submitted for  
29 state funding purposes; conduct school district program audits of state  
30 funded public school programs; establish the specific amount of state  
31 funding adjustments whenever audit exceptions occur and the amount is  
32 not firmly established in the course of regular public school audits;  
33 and to assist the state special education safety net committee when  
34 requested.

1 (3) The office shall report to the office of financial management  
2 and the appropriate fiscal committees of the legislature detailed  
3 information on risk-based auditing, its theory, and its application for  
4 the audits performed on Washington state government. The report shall  
5 include an explanation of how the office identifies, measures, and  
6 prioritizes risk, the manner in which the office uses these factors in  
7 the planning and execution of the audits of Washington state  
8 government, and the methods and procedures used in the conduct of the  
9 risk-based audits themselves. The report is due no later than December  
10 1, 2005.

11 (4) \$1,413,000 of the general fund--state appropriation for fiscal  
12 year 2006, \$2,091,000 of the general fund--state appropriation for  
13 fiscal year 2007, and \$2,000 of the state auditing services revolving  
14 account--state appropriation for fiscal year 2006 are provided solely  
15 for the implementation of Engrossed Substitute House Bill No. 1064  
16 (government performance). If Engrossed Substitute House Bill No. 1064  
17 is not enacted by June 30, 2005, the amounts provided in this  
18 subsection shall lapse.

19 (5) \$16,000 of the general fund--state appropriation for fiscal  
20 year 2006 is provided for a review of special education excess cost  
21 accounting and reporting requirements. The state auditor's office  
22 shall coordinate this work with the joint legislative audit and review  
23 committee's review of the special education excess cost accounting  
24 methodology and expenditure reporting requirements. The state  
25 auditor's review shall include an examination of whether school  
26 districts are (a) appropriately implementing the excess cost accounting  
27 methodology; (b) consistently charging special education expenses to  
28 the special education and basic education programs; (c) appropriately  
29 determining the percentage of expenditures that should be charged to  
30 the special education and basic education programs; and (d)  
31 appropriately and consistently reporting special education  
32 expenditures. The results of this review will be included in the joint  
33 legislative audit and review committee's report issued in January 2006.

34 **NEW SECTION. Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**  
35 **FOR ELECTED OFFICIALS**

36	General Fund--State Appropriation (FY 2006) . . . . .	\$133,000
37	General Fund--State Appropriation (FY 2007) . . . . .	\$202,000

1 TOTAL APPROPRIATION . . . . . \$335,000

2 NEW SECTION. **Sec. 125. FOR THE ATTORNEY GENERAL**

3 General Fund--State Appropriation (FY 2006) . . . . . \$5,172,000

4 General Fund--State Appropriation (FY 2007) . . . . . \$5,052,000

5 General Fund--Federal Appropriation . . . . . \$2,927,000

6 Public Safety and Education Account--State

7 Appropriation . . . . . \$2,239,000

8 New Motor Vehicle Arbitration Account--State

9 Appropriation . . . . . \$1,298,000

10 Legal Services Revolving Account--State Appropriation . . \$181,776,000

11 Tobacco Prevention and Control Account--State

12 Appropriation . . . . . \$270,000

13 TOTAL APPROPRIATION . . . . . \$198,734,000

14 The appropriations in this section are subject to the following  
15 conditions and limitations:

16 (1) The attorney general shall report each fiscal year on actual  
17 legal services expenditures and actual attorney staffing levels for  
18 each agency receiving legal services. The report shall be submitted to  
19 the office of financial management and the fiscal committees of the  
20 senate and house of representatives no later than ninety days after the  
21 end of each fiscal year.

22 (2) Prior to entering into any negotiated settlement of a claim  
23 against the state that exceeds five million dollars, the attorney  
24 general shall notify the director of financial management and the  
25 chairs of the senate committee on ways and means and the house of  
26 representatives committee on appropriations.

27 (3) \$44,000 of the legal services revolving account--state  
28 appropriation for fiscal year 2006 and \$45,000 of the legal services  
29 revolving account--state appropriation for fiscal year 2007 are subject  
30 to enactment of Engrossed Substitute House Bill No. 1251 (refund  
31 anticipation loans). If the bill is not enacted by June 30, 2005, the  
32 appropriations out of this account shall be made from the general fund.

33 NEW SECTION. **Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

34 General Fund--State Appropriation (FY 2006) . . . . . \$712,000

35 General Fund--State Appropriation (FY 2007) . . . . . \$695,000

36 TOTAL APPROPRIATION . . . . . \$1,407,000

1        NEW SECTION.    **Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**  
 2        **AND ECONOMIC DEVELOPMENT**

3	General Fund--State Appropriation (FY 2006) . . . . .	\$68,706,000
4	General Fund--State Appropriation (FY 2007) . . . . .	\$68,413,000
5	General Fund--Federal Appropriation . . . . .	\$247,903,000
6	General Fund--Private/Local Appropriation . . . . .	\$12,175,000
7	Public Safety and Education Account--State	
8	Appropriation . . . . .	\$5,412,000
9	Public Works Assistance Account--State Appropriation . . .	\$2,678,000
10	Tourism Development and Promotion Account	
11	Appropriation . . . . .	\$300,000
12	Drinking Water Assistance Administrative Account--	
13	State Appropriation . . . . .	\$213,000
14	Lead Paint Account--State Appropriation . . . . .	\$6,000
15	Building Code Council Account--State Appropriation . . . .	\$1,108,000
16	Administrative Contingency Account--State	
17	Appropriation . . . . .	\$1,808,000
18	Low-Income Weatherization Assistance Account--State	
19	Appropriation . . . . .	\$8,359,000
20	Violence Reduction and Drug Enforcement Account--State	
21	Appropriation . . . . .	\$5,240,000
22	Manufactured Home Installation Training Account--State	
23	Appropriation . . . . .	\$236,000
24	Community and Economic Development Fee Account--State	
25	Appropriation . . . . .	\$1,567,000
26	Washington Housing Trust Account--State	
27	Appropriation . . . . .	\$18,881,000
28	Homeless Families Service Account--State Appropriation . . .	\$300,000
29	Public Facility Construction Loan Revolving	
30	Account--State Appropriation . . . . .	\$601,000
31	Mobile Home Investigation Account--State Appropriation . . .	\$261,000
32	Homeless Housing Account--State Appropriation . . . . .	\$10,350,000
33	Individual Development Account--State Appropriation . . . .	\$1,021,000
34	TOTAL APPROPRIATION . . . . .	\$455,538,000

35        The appropriations in this section are subject to the following  
 36        conditions and limitations:

- 37        (1) \$2,838,000 of the general fund--state appropriation for fiscal  
 38        year 2006 and \$2,838,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for a contract with the Washington  
2 technology center for work essential to the mission of the Washington  
3 technology center and conducted in partnership with universities. The  
4 center shall not pay any increased indirect rate nor increases in other  
5 indirect charges above the absolute amount paid during the 1995-97  
6 fiscal biennium.

7 (2) \$5,902,000 of the general fund--federal appropriation is  
8 provided solely for the justice assistance grant program, to be  
9 distributed in state fiscal year 2006 as follows:

10 (a) \$2,064,000 to local units of government to continue  
11 multijurisdictional narcotics task forces;

12 (b) \$330,000 to the department to continue the drug prosecution  
13 assistance program in support of multijurisdictional narcotics task  
14 forces;

15 (c) \$675,000 to the Washington state patrol for coordination,  
16 investigative, and supervisory support to the multijurisdictional  
17 narcotics task forces and for methamphetamine education and response;

18 (d) \$20,000 to the department for tribal law enforcement;

19 (e) \$345,000 to the department to continue domestic violence legal  
20 advocacy;

21 (f) \$60,000 to the department for community-based advocacy services  
22 to victims of violent crime, other than sexual assault and domestic  
23 violence;

24 (g) \$351,000 to the department of social and health services,  
25 division of alcohol and substance abuse, for juvenile drug courts in  
26 eastern and western Washington;

27 (h) \$626,000 to the department of social and health services,  
28 juvenile rehabilitation administration, to continue youth violence  
29 prevention and intervention projects;

30 (i) \$97,000 to the department to continue evaluation of this grant  
31 program;

32 (j) \$290,000 to the office of financial management for criminal  
33 history records improvement;

34 (k) \$580,000 to the department for required grant administration,  
35 monitoring, and reporting on justice assistance grant programs; and

36 (l) \$464,000 to the department for distribution to small  
37 municipalities.

1        These amounts represent the maximum justice assistance grant  
2 expenditure authority for each program. No program may expend justice  
3 assistance grant funds in excess of the amounts provided in this  
4 subsection. If moneys in excess of those appropriated in this  
5 subsection become available, whether from prior or current fiscal year  
6 distributions, the department shall hold these moneys in reserve and  
7 may not expend them without specific appropriation. These moneys shall  
8 be carried forward and applied to the pool of moneys available for  
9 appropriation for programs and projects in the succeeding fiscal year.  
10 As part of its budget request for the succeeding year, the department  
11 shall estimate and request authority to spend any justice assistance  
12 grant funds.

13        (3) \$170,000 of the general fund--state appropriation for fiscal  
14 year 2006 and \$170,000 of the general fund--state appropriation for  
15 fiscal year 2007 are provided solely to fund domestic violence legal  
16 advocacy, in recognition of reduced federal grant funding.

17        (4) \$29,289,000 of the general fund--state appropriation for fiscal  
18 year 2006 and \$29,527,000 of the general fund--state appropriation for  
19 fiscal year 2007 are provided solely for providing early childhood  
20 education assistance. Of these amounts, \$2,700,000 in each fiscal year  
21 is provided solely to increase the number of children receiving  
22 education, and \$263,000 in fiscal year 2006 and \$529,000 in fiscal year  
23 2007 are provided solely for a targeted vendor rate increase.

24        (5) Repayments of outstanding loans granted under RCW 43.63A.600,  
25 the mortgage and rental assistance program, shall be remitted to the  
26 department, including any current revolving account balances. The  
27 department shall contract with a lender or contract collection agent to  
28 act as a collection agent of the state. The lender or contract  
29 collection agent shall collect payments on outstanding loans, and  
30 deposit them into an interest-bearing account. The funds collected  
31 shall be remitted to the department quarterly. Interest earned in the  
32 account may be retained by the lender or contract collection agent, and  
33 shall be considered a fee for processing payments on behalf of the  
34 state. Repayments of loans granted under this chapter shall be made to  
35 the lender or contract collection agent as long as the loan is  
36 outstanding, notwithstanding the repeal of the chapter.

37        (6) \$1,288,000 of the Washington housing trust account--state

1 appropriation shall lapse if neither Engrossed House Bill No. 1074 nor  
2 Substitute Senate Bill No. 5108 (housing programs) are enacted by June  
3 30, 2005.

4 (7) \$235,000 of the public works assistance account--state  
5 appropriation is provided solely for technical assistance to  
6 municipalities through the small communities initiative.

7 (8) \$850,000 of the general fund--state appropriation for fiscal  
8 year 2006 and \$850,000 of the general fund--state appropriation for  
9 fiscal year 2007 are provided solely for food banks to obtain and  
10 distribute additional nutritious food; and purchase equipment to  
11 transport and store perishable products.

12 (9) \$1,154,000 of the violence reduction and drug enforcement  
13 account appropriation is provided solely for the community mobilization  
14 program to provide grants and training to community organizations.

15 (10) \$2,000,000 of the general fund--state appropriation for fiscal  
16 year 2007 is provided solely for the community services block grant  
17 program to replace federal funding.

18 (11) \$4,950,000 of the homeless housing account--state  
19 appropriation for fiscal year 2006 and \$5,400,000 of the homeless  
20 housing account--state appropriation for fiscal year 2007 are provided  
21 solely for the implementation of House Bill No. 2163 (homeless housing  
22 program). If House Bill No. 2163 is not enacted by June 30, 2005, the  
23 amounts provided in this subsection shall lapse.

24 (12) \$106,000 of the general fund--state appropriation for fiscal  
25 year 2006 and \$261,000 of the mobile home investigations account--state  
26 appropriation for fiscal year 2006 are provided solely for the  
27 implementation of Engrossed Substitute House Bill No. 1640 (landlord  
28 and tenant disputes). If Engrossed Substitute House Bill No. 1640 is  
29 not enacted by June 30, 2005, the amounts provided in this subsection  
30 shall lapse.

31 (13) \$404,000 of the individual development account--state  
32 appropriation for fiscal year 2006 and \$617,000 of the individual  
33 development account--state appropriation for fiscal year 2007 are  
34 provided solely for the implementation of Substitute House Bill No.  
35 1408 (individual development account). If Substitute House Bill No.  
36 1408 is not enacted by June 30, 2005, the amounts provided in this  
37 subsection shall lapse.

1 (14) \$215,000 of the general fund--state appropriation for fiscal  
2 year 2006 is provided solely for matching funds for a federal economic  
3 development administration grant awarded to the city of Kent to conduct  
4 a feasibility study and economic analysis for the establishment of a  
5 center for advanced manufacturing.

6 (15) \$20,000 of the general fund--state appropriation for fiscal  
7 year 2006 is provided solely for the department to compile a report on  
8 housing stock in Washington state to identify areas of potentially high  
9 risk for child lead exposure. This report shall include an analysis of  
10 existing data regarding the ages of housing stock in specific regions  
11 and an analysis of data regarding actual lead poisoning cases, which  
12 shall be provided by the department of health's childhood lead  
13 poisoning surveillance program.

14 (16) \$150,000 of general fund--state appropriation for fiscal year  
15 2006 is provided solely for the Cascade land conservancy to develop and  
16 implement a plan for regional conservation within King, Kittitas,  
17 Pierce, and Snohomish counties.

18 (17) \$50,000 of the general fund--state appropriation for fiscal  
19 year 2006 is provided solely for the support, including safety and  
20 security costs, of the America's freedom salute to be held in the  
21 Vancouver, Washington area.

22 (18) \$250,000 of the general fund--state appropriation for fiscal  
23 year 2006 and \$250,000 of the general fund--state appropriation for  
24 fiscal year 2007 are provided solely for Snohomish county for a law  
25 enforcement and treatment methamphetamine pilot program. \$250,000 of  
26 the general fund--state appropriation for fiscal year 2006 and \$250,000  
27 of the general fund--state appropriation for fiscal year 2007 are  
28 provided solely for Pierce county for the extension of treatment  
29 alternatives and targeting the identification, arrest, and prosecution  
30 of perpetrators of methamphetamine-related crimes.

31 (19) \$50,000 of the general fund--state appropriation is provided  
32 solely for one pilot project to promote the study and implementation of  
33 safe neighborhoods through community planning.

34 (20) \$287,000 of the general fund--state appropriation for fiscal  
35 year 2006 and \$288,000 of the general fund--state appropriation for  
36 fiscal year 2007 are provided solely for Walla Walla community college  
37 to establish the water and environmental studies center to provide  
38 workforce education and training, encourage innovative approaches and

1 practices that address environmental and cultural issues, and  
2 facilitate the Walla Walla watershed alliance role in promoting  
3 communication leading to cooperative conservation efforts that  
4 effectively address urban and rural water and environmental issues.

5 (21) \$50,000 of the general fund--state appropriation for fiscal  
6 year 2006 is provided solely for work with the northwest food  
7 processors association on the food processing cluster development  
8 project.

9 (22) \$300,000 of the general fund--state appropriation for fiscal  
10 year 2006 and \$200,000 of the general fund--state appropriation for  
11 fiscal year 2007 are provided solely for the northwest agriculture  
12 incubator project, which will support small farms in economic  
13 development.

14 (23) \$150,000 of the general fund--state appropriation for fiscal  
15 year 2006 is provided solely to the department of community, trade, and  
16 economic development as the final appropriation for the youth  
17 assessment center in Pierce county for activities dedicated to reducing  
18 the rate of incarceration of juvenile offenders.

19 (24) \$170,000 of the general fund--state appropriation for fiscal  
20 year 2006 and \$170,000 of the general fund--state appropriation for  
21 fiscal year 2007 are provided solely for the implementation of Second  
22 Substitute House Bill No. 1815 (small business incubator). \$250,000  
23 must be distributed as grants and must be matched by an equal amount of  
24 private funds. If Second Substitute House Bill No. 1815 is not enacted  
25 by June 30, 2005, the amounts provided in this subsection shall lapse.

26 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**  
27 **COUNCIL**

28	General Fund--State Appropriation (FY 2006) . . . . .	\$568,000
29	General Fund--State Appropriation (FY 2007) . . . . .	\$503,000
30	TOTAL APPROPRIATION . . . . .	\$1,071,000

31 NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

32	General Fund--State Appropriation (FY 2006) . . . . .	\$17,042,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$15,659,000
34	General Fund--Federal Appropriation . . . . .	\$23,510,000
35	Public Works Assistance Account--State Appropriation . . . . .	\$200,000
36	Violence Reduction and Drug Enforcement Account--State	

1	Appropriation . . . . .	\$246,000
2	State Auditing Services Revolving Account--State	
3	Appropriation . . . . .	\$25,000
4	TOTAL APPROPRIATION . . . . .	\$56,682,000

5 The appropriations in this section are subject to the following  
6 conditions and limitations:

7 (1) \$200,000 of the public works assistance account appropriation  
8 is provided solely for an inventory and evaluation of the most  
9 effective way to organize the state public infrastructure programs and  
10 funds. The inventory and evaluation shall be delivered to the governor  
11 and the appropriate committees of the legislature by September 1, 2005.

12 (2)(a) \$182,000 of the general fund--state appropriation for fiscal  
13 year 2006 is provided solely for an advisory council to study  
14 residential services for persons with developmental disabilities. The  
15 study shall identify a preferred system of services and a plan to  
16 implement the system within four years. By October 1, 2005,  
17 recommendations shall be provided on the services that best address  
18 client needs in different regions of the state, and by January 1, 2006,  
19 recommendations on the preferred system shall be complete. The  
20 advisory council may contract for specialized services to complete the  
21 study.

22 (b) The advisory council shall consist of thirteen members.  
23 Members appointed by the governor, include one representative from each  
24 of the governor's office, the office of financial management, the  
25 department of social and health services, the Washington state  
26 disabilities council, a labor organization, the community residential  
27 care providers, residents of residential habilitation centers,  
28 individuals served by community residential programs, and individuals  
29 with developmental disabilities who reside or resided in residential  
30 habilitation centers. The advisory council shall also include two  
31 members of the house of representatives appointed by the speaker of the  
32 house of representatives representing the majority and minority  
33 caucuses and two members of the senate appointed by the president of  
34 the senate representing the majority and minority caucuses.  
35 Legislative members of the advisory group shall be reimbursed in  
36 accordance with RCW 44.04.120, and nonlegislative members in accordance  
37 with RCW 43.03.050 and 44.04.120. Staff support shall be provided by  
38 the department of social and health services, the developmental

1 disabilities council, the office of financial management, the house of  
2 representatives office of program research, and senate committee  
3 services.

4 (3) \$38,000 of the general fund--state appropriation for fiscal  
5 year 2006 and \$37,000 of the general fund--state appropriation for  
6 fiscal year 2007 are provided solely for the implementation of House  
7 Bill No. 1830 (alternative public works). If Engrossed Substitute  
8 House Bill No. 1830 is not enacted by June 30, 2005, the amounts  
9 provided in this subsection shall lapse.

10 (4) \$1,041,000 of the general fund--state appropriation for fiscal  
11 year 2006 and \$706,000 of the general fund--state appropriation for  
12 fiscal year 2007 are provided solely for a study that will provide an  
13 in-depth review of the policy and funding issues facing Washington's  
14 education system and will provide recommendations in the areas of  
15 finance, governance, efficiency, and accountability. The steering  
16 committee will submit findings and final recommendations by November  
17 15, 2006.

18 (5) \$127,000 of the general fund--state appropriation for fiscal  
19 year 2006 and \$46,000 of the general fund--state appropriation for  
20 fiscal year 2007 are provided solely for the implementation of House  
21 Bill No. 1834 (performance measures). If Substitute House Bill No.  
22 1834 is not enacted by June 30, 2005, the amounts provided in this  
23 subsection shall lapse.

24 (6) \$160,000 of the general fund--state appropriation for fiscal  
25 year 2006 and \$79,000 of the general fund--state appropriation for  
26 fiscal year 2007 are provided solely for the implementation of  
27 Engrossed House Bill No. 2257 (state contracts). If Engrossed House  
28 Bill No. 2257 is not enacted by June 30, 2005, the amounts provided in  
29 this subsection shall lapse.

30 (7) \$75,000 of the general fund--state appropriation for fiscal  
31 year 2006 is provided to the office of regulatory assistance and is  
32 subject to the following conditions and limitations:

33 (a) This amount is provided solely for the enhanced planning and  
34 permit pilot program; and

35 (b) Regulatory assistance is to select two local government  
36 planning and permitting offices to participate in an enhanced permit  
37 assistance pilot program. Such enhancement may include, but is not  
38 limited to:

1 (i) Creation of local and state interagency planning and permit  
2 review teams;  
3 (ii) Use of advanced online planning and permit applications;  
4 (iii) Using loaned executives; and  
5 (iv) Additional technical assistance and guidance for permit  
6 applicants.

7 (8) \$303,000 of the general fund--state appropriation for fiscal  
8 year 2006 and \$255,000 of the general fund--state appropriation for  
9 fiscal year 2007 are provided solely for the implementation of Second  
10 Substitute House Bill No. 1970 (government management). If the bill is  
11 not enacted by June 30, 2005, the amounts provided in this subsection  
12 shall lapse.

13 (9) \$250,000 of the general fund--state appropriation for fiscal  
14 year 2006 and \$250,000 of the general fund--state appropriation for  
15 fiscal year 2007 are provided solely for implementation of Substitute  
16 Engrossed House Bill No. 1242 (budgeting outcomes and priorities). If  
17 the bill is not enacted by June 30, 2005, the amounts provided in this  
18 subsection shall lapse.

19 (10) The department of ecology, the department of fish and  
20 wildlife, the department of natural resources, the conservation  
21 commission, and the interagency committee for outdoor recreation shall  
22 make recommendations to improve or eliminate monitoring activities  
23 related to salmon recovery and watershed health. The agencies shall  
24 coordinate with the governor's forum on monitoring and watershed health  
25 and consult with the office of financial management in determining the  
26 scope and contents of the report.

27 The agencies shall prepare a report detailing all new activity and  
28 updating all previously identified activity within the comprehensive  
29 monitoring strategy. The report shall identify the monitoring activity  
30 being performed and include: The purpose of the monitoring activity,  
31 when the activity started, who uses the information, how often it is  
32 accessed, what costs are incurred by fund, what frequency is used to  
33 collect data, what geographic location is used to collect data, where  
34 the information is stored, and what is the current status and cost by  
35 fund source of the data storage systems.

36 The agencies shall provide a status report summarizing progress to  
37 the governor's forum on monitoring and watershed health and the office  
38 of financial management by March 1, 2006. A final report to the

1 governor's monitoring forum, the office of financial management, and  
2 the appropriate legislative fiscal committees shall be submitted no  
3 later than September 1, 2006.

4 NEW SECTION. **Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

5 Administrative Hearings Revolving Account--State  
6 Appropriation . . . . . \$28,870,000

7 The appropriation in this section is subject to the following  
8 conditions and limitations: \$103,000 of the administrative hearing  
9 revolving account--state appropriation is provided solely to determine,  
10 in collaboration with other state agencies, the best mechanism of  
11 digital recording for the office of administrative hearings, the manner  
12 of conversion from tape recording to digital recording, and the  
13 purchase of digital recording devices.

14 NEW SECTION. **Sec. 131. FOR THE DEPARTMENT OF PERSONNEL**

15 Department of Personnel Service Account--State  
16 Appropriation . . . . . \$19,858,000  
17 Higher Education Personnel Services Account--State  
18 Appropriation . . . . . \$1,610,000  
19 TOTAL APPROPRIATION . . . . . \$21,468,000

20 The appropriations in this section are subject to the following  
21 conditions and limitations: The department shall coordinate with the  
22 governor's office of Indian affairs on providing the government-to-  
23 government training sessions for federal, state, local, and tribal  
24 government employees. The training sessions shall cover tribal  
25 historical perspectives, legal issues, tribal sovereignty, and tribal  
26 governments. Costs of the training sessions shall be recouped through  
27 a fee charged to the participants of each session. The department  
28 shall be responsible for all of the administrative aspects of the  
29 training, including the billing and collection of the fees for the  
30 training.

31 NEW SECTION. **Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

32 Lottery Administrative Account--State Appropriation . . . \$23,343,000

33 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

34 General Fund--State Appropriation (FY 2006) . . . . . \$296,000

1 General Fund--State Appropriation (FY 2007) . . . . . \$308,000  
2 TOTAL APPROPRIATION . . . . . \$604,000

3 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**  
4 **AFFAIRS**

5 General Fund--State Appropriation (FY 2006) . . . . . \$301,000  
6 General Fund--State Appropriation (FY 2007) . . . . . \$295,000  
7 TOTAL APPROPRIATION . . . . . \$596,000

8 NEW SECTION. **Sec. 135. FOR THE PERSONNEL APPEALS BOARD**

9 Department of Personnel Service Account--State  
10 Appropriation . . . . . \$1,006,000

11 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF RETIREMENT**  
12 **SYSTEMS--OPERATIONS**

13 Dependent Care Administrative Account--State  
14 Appropriation . . . . . \$404,000  
15 Department of Retirement Systems Expense Account--  
16 State Appropriation . . . . . \$43,806,000  
17 TOTAL APPROPRIATION . . . . . \$44,210,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations:

20 (1) \$13,000 of the department of retirement systems expense account  
21 appropriation is provided solely to implement House Bill No. 1327  
22 (purchasing service credit). If the bill is not enacted by June 30,  
23 2005, the amount provided in this subsection shall lapse.

24 (2) \$10,000 of the department of retirement systems expense account  
25 appropriation is provided solely to implement House Bill No. 1269 (law  
26 enforcement officers' and fire fighters' retirement system plan 2  
27 service credit purchase). If the bill is not enacted by June 30, 2005,  
28 the amounts provided in this subsection shall lapse.

29 (3) \$32,000 of the department of retirement systems expense account  
30 appropriation is provided solely to implement House Bill No. 1270 (law  
31 enforcement officers' and fire fighters' retirement system plan 2  
32 postretirement employment). If the bill is not enacted by June 30,  
33 2005, the amounts provided in this subsection shall lapse.

34 (4) \$26,000 of the department of retirement systems expense account  
35 appropriation is provided solely to implement House Bill No. 1319 (law

1 enforcement officers' and fire fighters' retirement system plan 1 ex-  
2 spouse benefits). If the bill is not enacted by June 30, 2005, the  
3 amounts provided in this subsection shall lapse.

4 (5) \$46,000 of the department of retirement systems expense account  
5 appropriation is provided solely to implement House Bill No. 1325  
6 (military service credit purchase). If the bill is not enacted by June  
7 30, 2005, the amounts provided in this subsection shall lapse.

8 (6) \$99,000 of the department of retirement systems expense account  
9 appropriation is provided solely to implement House Bill No. 1326  
10 (postretirement employment). If the bill is not enacted by June 30,  
11 2005, the amounts provided in this subsection shall lapse.

12 (7) \$79,000 of the department of retirement systems expense account  
13 appropriation is provided solely to implement House Bill No. 1329 (law  
14 enforcement officers' and fire fighters' retirement system plan 1  
15 reduced survivor benefit). If the bill is not enacted by June 30,  
16 2005, the amounts provided in this subsection shall lapse.

17 (8) \$56,000 of the department of retirement systems expense account  
18 appropriation is provided solely to implement House Bill No. 1936  
19 (emergency medical technician membership in law enforcement officers'  
20 and fire fighters' retirement system plan 2 service). If the bill is  
21 not enacted by June 30, 2005, the amounts provided in this subsection  
22 shall lapse.

23 NEW SECTION. **Sec. 137. FOR THE STATE INVESTMENT BOARD**

24 State Investment Board Expense Account--State  
25 Appropriation . . . . . \$15,725,000

26 NEW SECTION. **Sec. 138. FOR THE DEPARTMENT OF REVENUE**

27 General Fund--State Appropriation (FY 2006) . . . . . \$87,131,000  
28 General Fund--State Appropriation (FY 2007) . . . . . \$86,327,000  
29 Timber Tax Distribution Account--State Appropriation . . . \$5,446,000  
30 Waste Reduction/Recycling/Litter Control--State  
31 Appropriation . . . . . \$104,000  
32 State Toxics Control Account--State Appropriation . . . . . \$69,000  
33 Oil Spill Prevention Account--State Appropriation . . . . . \$14,000  
34 TOTAL APPROPRIATION . . . . . \$179,091,000

35 The appropriations in this section are subject to the following  
36 conditions and limitations:

1 (1) \$135,000 of the general fund--state appropriation for fiscal  
2 year 2006 and \$119,000 of the general fund--state appropriation for  
3 fiscal year 2007 are provided solely for the implementation of House  
4 Bill No. 1096 (tax expenditure reports). If House Bill No. 1096 is not  
5 enacted by June 30, 2005, the amounts provided in this subsection shall  
6 lapse.

7 (2) \$11,000 of the general fund--state appropriation for fiscal  
8 year 2006 and \$11,000 of the general fund--state appropriation for  
9 fiscal year 2007 are provided solely for the implementation of  
10 Engrossed Second Substitute House Bill No. 2163 (homeless housing  
11 program). If Engrossed Second Substitute House Bill No. 2163 is not  
12 enacted by June 30, 2005, the amounts provided in this subsection shall  
13 lapse.

14 NEW SECTION. **Sec. 139. FOR THE BOARD OF TAX APPEALS**

15 General Fund--State Appropriation (FY 2006) . . . . . \$1,350,000  
16 General Fund--State Appropriation (FY 2007) . . . . . \$1,182,000  
17 TOTAL APPROPRIATION . . . . . \$2,532,000

18 NEW SECTION. **Sec. 140. FOR THE MUNICIPAL RESEARCH COUNCIL**

19 County Research Services Account--State Appropriation . . . . \$787,000  
20 City and Town Research Services Account--State  
21 Appropriation . . . . . \$4,134,000  
22 TOTAL APPROPRIATION . . . . . \$4,921,000

23 NEW SECTION. **Sec. 141. FOR THE OFFICE OF MINORITY AND WOMEN'S**  
24 **BUSINESS ENTERPRISES**

25 OMWBE Enterprises Account--State Appropriation . . . . . \$3,094,000

26 The appropriation in this section is subject to the following  
27 conditions and limitations: \$180,000 of the OMWBE enterprises account  
28 appropriation is provided solely for management of private sector  
29 grants and coordination of support services to small businesses in the  
30 state. It is the intent of the legislature that this amount be funded  
31 from new grant revenues and business fees.

32 NEW SECTION. **Sec. 142. FOR THE DEPARTMENT OF GENERAL**  
33 **ADMINISTRATION**

34 General Fund--State Appropriation (FY 2006) . . . . . \$243,000

1	General Fund--State Appropriation (FY 2007) . . . . .	\$228,000
2	General Fund--Federal Appropriation . . . . .	\$3,634,000
3	General Administration Service Account--State	
4	Appropriation . . . . .	\$30,559,000
5	TOTAL APPROPRIATION . . . . .	\$34,664,000

6       NEW SECTION.   **Sec. 143. FOR THE DEPARTMENT OF INFORMATION**  
7       **SERVICES**

8	Data Processing Revolving Account--State	
9	Appropriation . . . . .	\$3,552,000
10	Public Safety and Education Account--State	
11	Appropriation . . . . .	\$684,000
12	TOTAL APPROPRIATION . . . . .	\$4,236,000

13       NEW SECTION.   **Sec. 144. FOR THE INSURANCE COMMISSIONER**

14	General Fund--Federal Appropriation . . . . .	\$655,000
15	Insurance Commissioners Regulatory Account--State	
16	Appropriation . . . . .	\$39,304,000
17	TOTAL APPROPRIATION . . . . .	\$39,959,000

18       NEW SECTION.   **Sec. 145. FOR THE BOARD OF ACCOUNTANCY**

19	Certified Public Accountants' Account--State	
20	Appropriation . . . . .	\$1,931,000

21       NEW SECTION.   **Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL**

22	Death Investigations Account--State Appropriation . . . . .	\$282,000
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23       The appropriation in this section is subject to the following  
24       conditions and limitations:   \$250,000 of the death investigation  
25       account appropriation is provided solely for providing financial  
26       assistance to local jurisdictions in multiple death investigations.  
27       The forensic investigation council shall develop criteria for awarding  
28       these funds for multiple death investigations involving an  
29       unanticipated, extraordinary, and catastrophic event or those involving  
30       multiple jurisdictions.

31       NEW SECTION.   **Sec. 147. FOR THE HORSE RACING COMMISSION**

32	Horse Racing Commission Operating Account--State	
33	Appropriation . . . . .	\$4,878,000

1            NEW SECTION.    **Sec. 148.    FOR THE LIQUOR CONTROL BOARD**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$1,528,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$1,521,000
4	Liquor Control Board Construction and Maintenance	
5	Account--State Appropriation . . . . .	\$12,832,000
6	Liquor Revolving Account--State Appropriation . . . . .	\$149,624,000
7	TOTAL APPROPRIATION . . . . .	\$165,505,000

8            The appropriations in this section are subject to the following  
9 conditions and limitations:

10           (1) As authorized under RCW 66.16.010, the liquor control board  
11 shall add an equivalent surcharge of \$0.42 per liter on all retail  
12 sales of spirits, excluding licensee, military and tribal sales,  
13 effective no later than July 1, 2005. The intent of this surcharge is  
14 to generate additional revenues for the state general fund in the  
15 2005-07 biennium.

16           (2) \$154,000 of the liquor revolving account--state appropriation  
17 is provided solely for the lease of state vehicles from the department  
18 of general administration's motor pool.

19           (3) \$2,228,000 of the liquor revolving account--state appropriation  
20 is provided solely for costs associated with the installation of a wide  
21 area network that connects all of the state liquor stores and the  
22 liquor control board headquarters.

23           (4) \$2,261,000 of the liquor revolving account--state appropriation  
24 is provided solely for replacement of essential computer equipment,  
25 improvement of security measures, and improvement to the core  
26 information technology infrastructure.

27           (5) \$2,800,000 of the liquor control board construction and  
28 maintenance account--state appropriation is provided solely for the  
29 certificate of participation to fund the expansion of the liquor  
30 distribution center.

31           (6) \$3,233,000 of the liquor revolving account--state appropriation  
32 is provided solely for upgrades to material handling system and  
33 warehouse management system software and equipment, and associated  
34 staff to increase the liquor distribution center's shipping capacity.

35           (7) \$2,746,000 of the liquor revolving account--state appropriation  
36 is provided solely for additional state liquor store and retail  
37 business analysis staff. The additional liquor store staff will be  
38 deployed to those stores with the greatest potential for increased

1 customer satisfaction and revenue growth. The liquor control board,  
 2 using the new retail business analysis staff and, if needed, an  
 3 independent consultant, will analyze the impact of additional staff on  
 4 customer satisfaction and revenue growth and make recommendations that  
 5 will increase the effectiveness and efficiency of all the liquor  
 6 control board's retail-related activities. Using best practices and  
 7 benchmarks from comparable retail organizations, the analysis will  
 8 evaluate and make recommendations, at a minimum, on the following  
 9 issues: Optimal staffing levels and store locations and numbers of  
 10 stores (both state liquor stores and contract liquor stores); options  
 11 for an improved retail organizational structure; strategies to increase  
 12 the retail decision-making capacity; and resources required for  
 13 enhanced internal organizational support of the retail activities. In  
 14 support of this evaluation, a survey shall be employed to gauge  
 15 customer satisfaction with state and contract liquor store services.  
 16 A written evaluation with recommendations shall be submitted to the  
 17 governor and the legislative fiscal committees by October 1, 2006.

18 (8) \$715,000 of the liquor revolving account--state appropriation  
 19 for fiscal year 2006 and \$720,000 of the liquor revolving account--  
 20 state appropriation for fiscal year 2007 are provided solely for the  
 21 implementation of House Bill No. 1379 (liquor retail business plan).  
 22 If House Bill No. 1379 is not enacted by June 30, 2005, the amounts  
 23 provided in this subsection shall lapse.

24 NEW SECTION. **Sec. 149. FOR THE UTILITIES AND TRANSPORTATION**  
 25 **COMMISSION**

26	Public Service Revolving Account--State Appropriation . . .	\$27,787,000
27	Pipeline Safety Account--State Appropriation . . . . .	\$2,827,000
28	Pipeline Safety Account--Federal Appropriation . . . . .	\$1,476,000
29	TOTAL APPROPRIATION . . . . .	\$32,090,000

30 NEW SECTION. **Sec. 150. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**  
 31 **Volunteer Firefighters' and Reserve Officers'**

32	Administrative Account--State Appropriation . . . . .	\$750,000
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33 NEW SECTION. **Sec. 151. FOR THE MILITARY DEPARTMENT**

34	General Fund--State Appropriation (FY 2006) . . . . .	\$9,071,000
35	General Fund--State Appropriation (FY 2007) . . . . .	\$9,024,000

1	General Fund--Federal Appropriation . . . . .	\$165,137,000
2	Enhanced 911 Account--State Appropriation . . . . .	\$34,705,000
3	Disaster Response Account--State Appropriation . . . . .	\$2,277,000
4	Disaster Response Account--Federal Appropriation . . . . .	\$11,008,000
5	Worker and Community Right-to-Know Account--State	
6	Appropriation . . . . .	\$302,000
7	Nisqually Earthquake Account--State Appropriation . . . . .	\$6,687,000
8	Nisqually Earthquake Account--Federal Appropriation . . . . .	\$29,052,000
9	Military Department Rental and Lease Account--State	
10	Appropriation . . . . .	\$378,000
11	TOTAL APPROPRIATION . . . . .	\$267,641,000

12       The appropriations in this section are subject to the following  
13 conditions and limitations:

14       (1)   \$2,277,000 of the disaster response account--state  
15 appropriation and \$11,008,000 of the disaster response account--federal  
16 appropriation may be spent only on disasters declared by the governor  
17 and with the approval of the office of financial management. The  
18 military department shall submit a report quarterly to the office of  
19 financial management and the legislative fiscal committees detailing  
20 information on the disaster response account, including: (a) The  
21 amount and type of deposits into the account; (b) the current available  
22 fund balance as of the reporting date; and (c) the projected fund  
23 balance at the end of the 2005-07 biennium based on current revenue and  
24 expenditure patterns.

25       (2)   \$6,687,000 of the Nisqually earthquake account--state  
26 appropriation and \$29,052,000 of the Nisqually earthquake account--  
27 federal appropriation are provided solely for response and recovery  
28 costs associated with the February 28, 2001, earthquake. The military  
29 department shall submit a report quarterly to the office of financial  
30 management and the legislative fiscal committees detailing earthquake  
31 recovery costs, including: (a) Estimates of total costs; (b)  
32 incremental changes from the previous estimate; (c) actual  
33 expenditures; (d) estimates of total remaining costs to be paid; and  
34 (e) estimates of future payments by biennium. This information shall  
35 be displayed by fund, by type of assistance, and by amount paid on  
36 behalf of state agencies or local organizations. The military  
37 department shall also submit a report quarterly to the office of  
38 financial management and the legislative fiscal committees detailing

1 information on the Nisqually earthquake account, including: (a) The  
2 amount and type of deposits into the account; (b) the current available  
3 fund balance as of the reporting date; and (c) the projected fund  
4 balance at the end of the 2005-07 biennium based on current revenue and  
5 expenditure patterns.

6 (3) \$127,586,000 of the general fund--federal appropriation is  
7 provided solely for homeland security, subject to the following  
8 conditions:

9 (a) Any communications equipment purchased by local jurisdictions  
10 or state agencies shall be consistent with standards set by the  
11 Washington state interoperability executive committee;

12 (b) This amount shall not be allotted until a spending plan is  
13 reviewed by the governor's domestic security advisory group and  
14 approved by the office of financial management;

15 (c) The department shall submit a quarterly report to the office of  
16 financial management and the legislative fiscal committees detailing  
17 the governor's domestic security advisory group recommendations;  
18 homeland security revenues and expenditures, including estimates of  
19 total federal funding for the state; incremental changes from the  
20 previous estimate, planned and actual homeland security expenditures by  
21 the state and local governments with this federal funding; and matching  
22 or accompanying state or local expenditures; and

23 (d) The department shall submit a report by December 1st of each  
24 year to the office of financial management and the legislative fiscal  
25 committees detailing homeland security revenues and expenditures for  
26 the previous fiscal year by county and legislative district.

27 (4) \$31,000 of the general fund--state appropriation for fiscal  
28 year 2006 and \$31,000 of the general fund--state appropriation for  
29 fiscal year 2007 are provided solely for the implementation of House  
30 Bill No. 1850 (volunteer medical worker). If House Bill No. 1850 is  
31 not enacted by June 30, 2005, the amounts provided in this subsection  
32 shall lapse.

33 (5) \$216,000 of the general fund--state appropriation for fiscal  
34 year 2006 and \$216,000 of the general fund--state appropriation for  
35 fiscal year 2007 are provided solely for the implementation of House  
36 Bill No. 1343 (National Guard life insurance). If House Bill No. 1343  
37 is not enacted by June 30, 2005, the amounts provided in this  
38 subsection shall lapse.

1        NEW SECTION.    **Sec. 152. FOR THE PUBLIC EMPLOYMENT RELATIONS**  
2 **COMMISSION**

3	General Fund--State Appropriation (FY 2006) . . . . .	\$2,572,000
4	General Fund--State Appropriation (FY 2007) . . . . .	\$2,574,000
5	Department of Personnel Service Account--State	
6	Appropriation . . . . .	\$2,704,000
7	TOTAL APPROPRIATION . . . . .	\$7,850,000

8        NEW SECTION.    **Sec. 153. FOR THE GROWTH PLANNING HEARINGS BOARD**

9	General Fund--State Appropriation (FY 2006) . . . . .	\$1,567,000
10	General Fund--State Appropriation (FY 2007) . . . . .	\$1,559,000
11	TOTAL APPROPRIATION . . . . .	\$3,126,000

12        The appropriations in this section are subject to the following  
13 conditions and limitations:     \$9,000 of the general fund--state  
14 appropriation for fiscal year 2006 and \$9,000 of the general fund--  
15 state appropriation for fiscal year 2007 are provided solely for the  
16 Western Board to relocate. If the Western Board does not relocate by  
17 June 30, 2006, the amounts provided in this subsection shall lapse.

18        NEW SECTION.    **Sec. 154. FOR THE STATE CONVENTION AND TRADE CENTER**

19	State Convention and Trade Center Account--State	
20	Appropriation . . . . .	\$30,512,000
21	State Convention and Trade Center Operating	
22	Account--State Appropriation . . . . .	\$45,983,000
23	TOTAL APPROPRIATION . . . . .	\$76,495,000

(End of part)



1 of funding assigned to the pilot projects from each program may not  
 2 exceed the average per capita cost assumed in this act for individuals  
 3 covered by that program, actuarially adjusted for the health condition  
 4 of persons enrolled in the pilot, times the number of clients enrolled  
 5 in the pilot. In implementing the WMIP pilot projects, the department  
 6 may: (a) Withhold from calculations of "available resources" as set  
 7 forth in RCW 71.24.025 a sum equal to the capitated rate for  
 8 individuals enrolled in the pilots; and (b) employ capitation financing  
 9 and risk-sharing arrangements in collaboration with health care service  
 10 contractors licensed by the office of the insurance commissioner and  
 11 qualified to participate in both the medicaid and medicare programs.  
 12 The department shall conduct an evaluation of the WMIP, measuring  
 13 changes in participant health outcomes, changes in patterns of service  
 14 utilization, participant satisfaction, participant access to services,  
 15 and the state fiscal impact.

16 (4) In accordance with RCW 74.39A.300, the appropriations to the  
 17 department of social and health services in this act are sufficient to  
 18 implement the compensation and fringe benefits of the collective  
 19 bargaining agreement reached between the governor and the exclusive  
 20 bargaining representative of individual providers of home care  
 21 services.

22 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
 23 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

24	General Fund--State Appropriation (FY 2006) . . . . .	\$249,100,000
25	General Fund--State Appropriation (FY 2007) . . . . .	\$260,089,000
26	General Fund--Federal Appropriation . . . . .	\$423,111,000
27	General Fund--Private/Local Appropriation . . . . .	\$400,000
28	Public Safety and Education Account--State	
29	Appropriation . . . . .	\$12,461,000
30	Violence Reduction and Drug Enforcement Account--State	
31	Appropriation . . . . .	\$1,510,000
32	TOTAL APPROPRIATION . . . . .	\$946,671,000

33 The appropriations in this section are subject to the following  
 34 conditions and limitations:

35 (1) \$375,000 of the general fund--state fiscal year 2006  
 36 appropriation, \$375,000 of the general fund--state fiscal year 2007  
 37 appropriation, and \$322,000 of the general fund--federal appropriation

1 are provided for up to three nonfacility-based programs for the  
2 training, consultation, support, and recruitment of biological, foster,  
3 and adoptive parents of children through age three in need of special  
4 care as a result of substance abuse by their mothers, except that each  
5 program may serve up to three medically fragile nonsubstance-abuse-  
6 affected children. In selecting nonfacility-based programs, preference  
7 shall be given to programs whose federal or private funding sources  
8 have expired or that have successfully performed under the existing  
9 pediatric interim care program.

10 (2) \$125,000 of the general fund--state appropriation for fiscal  
11 year 2004 and \$125,000 of the general fund--state appropriation for  
12 fiscal year 2005 are provided solely for a foster parent retention  
13 program. This program is directed at foster parents caring for  
14 children who act out sexually.

15 (3) The providers for the 31 HOPE beds shall be paid a \$1,000 base  
16 payment per bed per month, and reimbursed for the remainder of the bed  
17 cost only when the beds are occupied.

18 (4) Within amounts provided for the foster care and adoption  
19 support programs, the department shall control reimbursement decisions  
20 for foster care and adoption support cases such that the aggregate  
21 average cost per case for foster care and for adoption support does not  
22 exceed the amounts assumed in the projected caseload expenditures. The  
23 department shall adjust adoption support benefits to account for the  
24 availability of the new federal adoption support tax credit for special  
25 needs children. The department shall report annually by October 1st to  
26 the appropriate committees of the legislature on the specific efforts  
27 taken to contain costs.

28 (5) \$4,135,000 of the general fund--state appropriation for fiscal  
29 year 2006, \$5,665,000 of the general fund--state appropriation for  
30 fiscal year 2007, and \$3,557,000 of the general fund--federal  
31 appropriation are provided solely for reforms to the child protective  
32 services and child welfare services programs, including 30-day face-to-  
33 face contact for children in out-of-home care, improved timeliness of  
34 child protective services investigations, an enhanced in-home child  
35 welfare services program, and education specialist services. The  
36 department shall report by December 1st of each year on the  
37 implementation status of the enhancements, including the hiring of new  
38 staff, and the outcomes of the reform efforts. The information

1 provided shall include a progress report on items in the child and  
2 family services review program improvement plan and areas identified  
3 for improvement in the Braam lawsuit settlement.

4 (6) Within amounts appropriated in this section, priority shall be  
5 given to proven intervention models, including evidence-based  
6 prevention and early intervention programs identified by the Washington  
7 institute for public policy and the department. The department shall  
8 include information on the number, type, and outcomes of the evidence-  
9 based programs being implemented in its reports on child welfare reform  
10 efforts.

11 (7) \$5,282,000 of the general fund--state appropriation for fiscal  
12 year 2007 and \$3,521,000 of the general fund--federal appropriation are  
13 provided solely for the design, development, and initial implementation  
14 of a new automated child welfare information system to replace the  
15 existing case and management information system.

16 NEW SECTION. **Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
17 **SERVICES--JUVENILE REHABILITATION PROGRAM**

18	General Fund--State Appropriation (FY 2006) . . . . .	\$75,899,000
19	General Fund--State Appropriation (FY 2007) . . . . .	\$76,215,000
20	General Fund--Federal Appropriation . . . . .	\$5,879,000
21	General Fund--Private/Local Appropriation . . . . .	\$1,098,000
22	Violence Reduction and Drug Enforcement Account--State	
23	Appropriation . . . . .	\$37,967,000
24	Juvenile Accountability Incentive Account--Federal	
25	Appropriation . . . . .	\$5,528,000
26	Reinvesting in Youth Account--State	
27	Appropriation . . . . .	\$997,000
28	TOTAL APPROPRIATION . . . . .	\$203,583,000

29 The appropriations in this section are subject to the following  
30 conditions and limitations:

31 (1) \$706,000 of the violence reduction and drug enforcement account  
32 appropriation is provided solely for deposit in the county criminal  
33 justice assistance account for costs to the criminal justice system  
34 associated with the implementation of chapter 338, Laws of 1997  
35 (juvenile code revisions). The amounts provided in this subsection are  
36 intended to provide funding for county adult court costs associated

1 with the implementation of chapter 338, Laws of 1997 and shall be  
2 distributed in accordance with RCW 82.14.310.

3 (2) \$6,156,000 of the violence reduction and drug enforcement  
4 account appropriation is provided solely for the implementation of  
5 chapter 338, Laws of 1997 (juvenile code revisions). The amounts  
6 provided in this subsection are intended to provide funding for county  
7 impacts associated with the implementation of chapter 338, Laws of 1997  
8 and shall be distributed to counties as prescribed in the current  
9 consolidated juvenile services (CJS) formula.

10 (3) \$1,186,000 of the general fund--state appropriation for fiscal  
11 year 2006, \$1,197,000 of the general fund--state appropriation for  
12 fiscal year 2007, and \$5,208,000 of the violence reduction and drug  
13 enforcement account appropriation are provided solely to implement  
14 community juvenile accountability grants pursuant to chapter 338, Laws  
15 of 1997 (juvenile code revisions). Funds provided in this subsection  
16 may be used solely for community juvenile accountability grants,  
17 administration of the grants, and evaluations of programs funded by the  
18 grants.

19 (4) \$2,518,000 of the violence reduction and drug enforcement  
20 account appropriation is provided solely to implement alcohol and  
21 substance abuse treatment programs for locally committed offenders.  
22 The juvenile rehabilitation administration shall award these moneys on  
23 a competitive basis to counties that submitted a plan for the provision  
24 of services approved by the division of alcohol and substance abuse.  
25 The juvenile rehabilitation administration shall develop criteria for  
26 evaluation of plans submitted and a timeline for awarding funding and  
27 shall assist counties in creating and submitting plans for evaluation.

28 (5) For the purposes of a pilot project, the juvenile  
29 rehabilitation administration shall provide a block grant, rather than  
30 categorical funding, for consolidated juvenile services, community  
31 juvenile accountability act grants, the chemically dependent  
32 disposition alternative, and the special sex offender disposition  
33 alternative to the Pierce county juvenile court. To evaluate the  
34 effect of decategorizing funding for youth services, the juvenile court  
35 shall do the following:

36 (a) Develop intermediate client outcomes according to the risk  
37 assessment tool (RAT) currently used by juvenile courts and in  
38 coordination with the juvenile rehabilitation administration;

1 (b) Track the number of youth participating in each type of  
2 service, intermediate outcomes, and the incidence of recidivism within  
3 twenty-four months of completion of services;

4 (c) Track similar data as in (b) of this subsection with an  
5 appropriate comparison group, selected in coordination with the  
6 juvenile rehabilitation administration and the family policy council;

7 (d) Document the process for managing block grant funds on a  
8 quarterly basis, and provide this report to the juvenile rehabilitation  
9 administration and the family policy council; and

10 (e) Provide a process evaluation to the juvenile rehabilitation  
11 administration and the family policy council by June 20, 2006, and a  
12 concluding report by June 30, 2007. The court shall develop this  
13 evaluation in consultation with the juvenile rehabilitation  
14 administration, the family policy council, and the Washington state  
15 institute for public policy.

16 (6) \$997,000 of the reinvesting in youth account--state  
17 appropriation is provided solely for the implementation of Second  
18 Substitute House Bill No. 1483 (investing in youth program). If the  
19 bill is not enacted by June 30, 2005, the amount provided in this  
20 subsection shall lapse.

21 (7) \$16,000 of the general fund--state appropriation for fiscal  
22 year 2006 and \$16,000 of the general fund--state appropriation for  
23 fiscal year 2007 are provided solely for the implementation of chapter  
24 167, Laws of 1999 (firearms on school property). The amounts provided  
25 in this subsection are intended to provide funding for county impacts  
26 associated with the implementation of chapter 167, Laws of 1999, and  
27 shall be distributed to counties as prescribed in the current  
28 consolidated juvenile services (CJS) formula.

29 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
30 **SERVICES--MENTAL HEALTH PROGRAM**

31 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

32	General Fund--State Appropriation (FY 2006) . . . . .	\$254,899,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$260,942,000
34	General Fund--Federal Appropriation . . . . .	\$331,584,000
35	General Fund--Private/Local Appropriation . . . . .	\$1,970,000
36	TOTAL APPROPRIATION . . . . .	\$849,395,000

1 The appropriations in this subsection are subject to the following  
2 conditions and limitations:

3 (a) From the general fund--state appropriations in this subsection,  
4 the secretary of social and health services shall assure that regional  
5 support networks reimburse the aging and disability services  
6 administration for the general fund--state cost of medicaid personal  
7 care services that enrolled regional support network consumers use  
8 because of their psychiatric disability.

9 (b) Within amounts appropriated in this subsection, the department  
10 shall contract with the Clark county regional support network for  
11 development and operation of a project demonstrating collaborative  
12 methods for providing intensive mental health services in the school  
13 setting for severely emotionally disturbed children who are medicaid  
14 eligible. Project services shall be delivered by teachers and teaching  
15 assistants who qualify as, or who are under the supervision of, mental  
16 health professionals meeting the requirements of chapter 275-57 WAC.  
17 The department shall increase medicaid payments to the regional support  
18 network by the amount necessary to cover the necessary and allowable  
19 costs of the demonstration, not to exceed the upper payment limit  
20 specified for the regional support network in the department's medicaid  
21 waiver agreement with the federal government after meeting all other  
22 medicaid spending requirements assumed in this subsection. The  
23 regional support network shall provide the required nonfederal share of  
24 the increased medicaid payment provided for operation of this project.

25 (c) \$3,100,000 of the general fund--state appropriation for fiscal  
26 year 2006 and \$3,375,000 of the general fund--state appropriation for  
27 fiscal year 2007 are provided solely to establish a base community  
28 psychiatric hospitalization payment rate. The base payment rate shall  
29 be \$400 per indigent patient day at hospitals that accept commitments  
30 under the involuntary treatment act, and \$550 per medicaid patient day  
31 at free-standing psychiatric hospitals that accept commitments under  
32 the involuntary treatment act. The department shall allocate these  
33 funds among the regional support networks to reflect projected  
34 expenditures at the enhanced payment level by hospital and region.

35 (d) At least \$902,000 of the federal block grant funding  
36 appropriated in this subsection shall be used for the continued  
37 operation of the mentally ill offender pilot program.

1 (e) \$2,146,000 of the general fund--state appropriation for fiscal  
2 year 2006, \$4,408,000 of the general fund--state appropriation for  
3 fiscal year 2007, and \$4,559,000 of the general fund--federal  
4 appropriation are provided solely for a vendor rate increase to  
5 regional support networks for medicaid and nonmedicaid services, to the  
6 extent that: Amounts provided in this subsection (1) to serve medicaid  
7 clients through regional support networks are sufficient to ensure  
8 compliance with federally approved actuarially sound medicaid rate  
9 ranges in every rate category. If such amounts are not sufficient to  
10 ensure compliance, funds provided in this subsection (1)(e) shall first  
11 be applied to address any noncompliant rate category; remaining amounts  
12 shall be allocated among the regional support networks by applying a  
13 uniform percentage of increase across regional support networks.

14 (f) \$104,500,000 of the general fund--state appropriation for  
15 fiscal year 2006 and \$104,500,000 of the general fund--state  
16 appropriation for fiscal year 2007 are provided solely for persons and  
17 services not covered by the medicaid program, contingent upon the  
18 enactment of House Bill No. 1290 (community mental health). If the  
19 bill is not enacted by June 30, 2005, the amounts provided in this  
20 subsection shall lapse. Of these amounts:

21 (i) \$ 7,500,000 of the general fund--state appropriation for fiscal  
22 year 2006 and \$7,500,000 of the general fund--state appropriation for  
23 fiscal year 2007 are provided solely for mental health services for  
24 mentally ill offenders while confined in a county or city jail, and for  
25 access to programs that offer mental health services upon mentally ill  
26 offenders' release from confinement. These amounts shall supplement,  
27 and not supplant, local or other funding or in-kind resources currently  
28 being used for these purposes.

29 (ii) \$2,500,000 of the general fund--state appropriation for fiscal  
30 year 2006 and \$2,500,000 of the general fund--state appropriation for  
31 fiscal year 2007 are provided solely for grants for innovative mental  
32 health service delivery projects. Such projects may include, but are  
33 not limited to, clubhouse programs and projects for integrated health  
34 care and behavioral health services for general assistance recipients.  
35 These amounts shall supplement, and not supplant, local or other  
36 funding currently being used for activities funded under the projects  
37 authorized in this subsection.

1 (iii) \$550,000 of the general fund--state appropriation for fiscal  
2 year 2006 and \$150,000 of the general fund--state appropriation for  
3 fiscal year 2007 are provided solely for a pilot project to provide  
4 integrated care through a long-term rehabilitation facility that  
5 specializes in caring for people with chronic mental illness.

6 (iv) Consistent with RCW 71.24.035(13), the department shall  
7 distribute the remaining amounts among the regional support networks as  
8 follows:

9 (A) The department shall determine the level of spending in each  
10 regional support network for the fiscal year 2003 and fiscal year 2004  
11 for services in institutes for mental disease and community inpatient  
12 hospital, intensive residential, and other licensed residential  
13 facilities. Funds shall be distributed in a manner that assures  
14 continuation of previous levels of these services in each regional  
15 support network area; and

16 (B) Funds remaining following the distribution in (f)(iv)(A) of  
17 this subsection shall be distributed based upon a formula that  
18 incorporates each regional support network's percentage of the state's  
19 population.

20 (v) To ensure that a consistent level of services are available to  
21 nonmedicaid clients across regional support networks, the department  
22 and the regional support networks shall utilize medicaid access to care  
23 standards for the nonmedicaid client population beginning November 1,  
24 2005.

25 (2) INSTITUTIONAL SERVICES

26	General Fund--State Appropriation (FY 2006) . . . . .	\$99,819,000
27	General Fund--State Appropriation (FY 2007) . . . . .	\$99,459,000
28	General Fund--Federal Appropriation . . . . .	\$148,250,000
29	General Fund--Private/Local Appropriation . . . . .	\$29,850,000
30	TOTAL APPROPRIATION . . . . .	\$377,378,000

31 The appropriations in this subsection are subject to the following  
32 conditions and limitations:

33 (a) The state mental hospitals may use funds appropriated in this  
34 subsection to purchase goods and supplies through hospital group  
35 purchasing organizations when it is cost-effective to do so.

36 (b) \$3,541,000 of the general fund--state appropriation for fiscal  
37 year 2006 and \$3,410,000 of the general fund--state appropriation for  
38 fiscal year 2007 are provided solely to operate at least one more

1 forensic ward at western state hospital than was operational in  
2 December 2005, and to employ professional staff in addition to those  
3 assigned in December 2005 to conduct outpatient evaluations of  
4 competency to stand trial.

5 (c) \$45,000 of the general fund--state appropriation for fiscal  
6 year 2006 and \$45,000 of the general fund--state appropriation for  
7 fiscal year 2007 are provided solely for payment to the city of  
8 Lakewood on September 1 of each year for police services provided by  
9 the city at western state hospital and adjacent areas.

10 (3) CIVIL COMMITMENT

11	General Fund--State Appropriation (FY 2006) . . . . .	\$42,791,000
12	General Fund--State Appropriation (FY 2007) . . . . .	\$45,269,000
13	TOTAL APPROPRIATION . . . . .	\$88,060,000

14 (4) SPECIAL PROJECTS

15	General Fund--State Appropriation (FY 2006) . . . . .	\$464,000
16	General Fund--State Appropriation (FY 2007) . . . . .	\$769,000
17	General Fund--Federal Appropriation . . . . .	\$2,865,000
18	TOTAL APPROPRIATION . . . . .	\$4,098,000

19 The appropriations in this subsection are subject to the following  
20 conditions and limitations: \$75,000 of the general fund--state  
21 appropriation for fiscal year 2006, \$75,000 of the general fund--state  
22 appropriation for fiscal year 2007, and \$40,000 of the general fund--  
23 federal appropriation are provided solely to implement the request for  
24 proposal process required by House Bill No. 1290 (community mental  
25 health). If House Bill No. 1290 is not enacted by June 30, 2005, these  
26 amounts shall lapse.

27 (5) PROGRAM SUPPORT

28	General Fund--State Appropriation (FY 2006) . . . . .	\$3,553,000
29	General Fund--State Appropriation (FY 2007) . . . . .	\$3,431,000
30	General Fund--Federal Appropriation . . . . .	\$6,529,000
31	TOTAL APPROPRIATION . . . . .	\$13,513,000

32 The appropriations in this subsection are subject to the following  
33 conditions and limitations: \$125,000 of the general fund--state  
34 appropriation for fiscal year 2006, \$125,000 of the general fund--state  
35 appropriation for fiscal year 2007, and \$164,000 of the general fund--  
36 federal appropriation are provided solely for the institute for public  
37 policy to continue the longitudinal analysis directed in chapter 334,

1 Laws of 2001 (mental health performance audit), and, to the extent  
2 funds are available within these amounts, to build upon the evaluation  
3 of the impacts of chapter 214, Laws of 1999 (mentally ill offenders).

4 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
5 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

6	(1) COMMUNITY SERVICES	
7	General Fund--State Appropriation (FY 2006) . . . . .	\$298,721,000
8	General Fund--State Appropriation (FY 2007) . . . . .	\$311,440,000
9	General Fund--Federal Appropriation . . . . .	\$504,482,000
10	Health Services Account--State Appropriation . . . . .	\$904,000
11	TOTAL APPROPRIATION . . . . .	\$1,115,547,000

12 The appropriations in this subsection are subject to the following  
13 conditions and limitations:

14 (a) \$213,000 of the general fund--state appropriation for fiscal  
15 year 2006, \$422,000 of the general fund--state appropriation for fiscal  
16 year 2007, and \$600,000 of the general fund--federal appropriation are  
17 provided solely to increase compensation for direct care workers  
18 employed by home care agencies by 27 cents per hour on July 1, 2005,  
19 and by an additional 23 cents per hour on July 1, 2006. The amounts in  
20 this subsection also include the funds needed for the employer share of  
21 unemployment and social security taxes on the amount of the increase.

22 (b) The entire health services account appropriation and \$904,000  
23 of the general fund--federal appropriation are provided solely for  
24 health care benefits for agency home care workers who are employed  
25 through state contracts for at least twenty hours a week.

26 (i) For the period of July 1, 2005, through December 31, 2005, home  
27 care agencies may obtain coverage either through the basic health plan  
28 or through an alternative plan that provides substantially equivalent  
29 benefits.

30 (ii) The department, in consultation with the health care  
31 authority, shall establish a health benefits purchasing cooperative for  
32 agency home care workers. The health benefits offered through the  
33 cooperative shall provide substantially equivalent benefits to the 2003  
34 basic health plan benefits package. The cooperative shall offer  
35 coverage beginning January 1, 2006.

36 (iii) Beginning January 1, 2006, home care agencies must obtain  
37 coverage either through the basic health plan, the health benefits

1 purchasing cooperative established in (b)(ii) of this subsection, or  
2 the Taft Hartley trust established in accordance with the collective  
3 bargaining agreement for individual providers of home care services.

4 (c) Individuals receiving family support or high school transition  
5 payments as supplemental security income (SSI) state supplemental  
6 payments shall not become eligible for medical assistance under RCW  
7 74.09.510 due solely to the receipt of SSI state supplemental payments.

8 (d) \$712,000 of the general fund--state appropriation for fiscal  
9 year 2006, \$1,955,000 of the general fund--state appropriation for  
10 fiscal year 2007, and \$2,667,000 of the general fund--federal  
11 appropriation are provided solely for community residential and support  
12 services. Funding in this subsection shall be prioritized for (i)  
13 residents of residential habilitation centers who are able to be  
14 adequately cared for in community settings and who choose to live in  
15 those community settings; (ii) clients without residential services who  
16 are at immediate risk of institutionalization or in crisis; (iii)  
17 children who are aging out of other state services; (iv) children who  
18 require an out-of-home placement because of the intense level of  
19 support required to care for them in the home; and (v) current home and  
20 community-based waiver program clients who have been assessed as having  
21 an immediate need for increased services. The department shall ensure  
22 that the average cost per day for all program services other than  
23 start-up costs shall not exceed \$300. In order to maximize the number  
24 of clients served and ensure the cost-effectiveness of the waiver  
25 programs, the department will strive to limit new client placement  
26 expenditures to 90 percent of the budgeted daily rate. If this can be  
27 accomplished, additional clients may be served with excess funds  
28 provided the total projected carry-forward expenditures do not exceed  
29 the amounts estimated. The department shall electronically report to  
30 the appropriate committees of the legislature, within 45 days following  
31 each fiscal year quarter, the number of persons served with these  
32 additional community services, where they were residing, what kinds of  
33 services they were receiving prior to placement, and the actual  
34 expenditures for all community services to support these clients.

35 (e) \$579,000 of the general fund--state appropriation for fiscal  
36 year 2006, \$1,531,000 of the general fund--state appropriation for  
37 fiscal year 2007, and \$2,110,000 of the general fund--federal  
38 appropriation are provided solely for expanded community services for

1 persons with developmental disabilities who also have community  
2 protection issues. Funding in this subsection shall be prioritized for  
3 (i) clients being diverted or discharged from the state psychiatric  
4 hospitals; (ii) clients participating in the dangerous mentally ill  
5 offender program; (iii) clients participating in the community  
6 protection program; and (iv) mental health crisis diversion  
7 outplacements. The department shall ensure that the average cost per  
8 day for all program services other than start-up costs shall not exceed  
9 \$300. In order to maximize the number of clients served and ensure the  
10 cost-effectiveness of the waiver programs, the department will strive  
11 to limit new client placement expenditures to 90 percent of the  
12 budgeted daily rate. If this can be accomplished, additional clients  
13 may be served with excess funds if the total projected carry-forward  
14 expenditures do not exceed the amounts estimated. The department shall  
15 implement the four new waiver programs such that decisions about  
16 enrollment levels and the amount, duration, and scope of services  
17 maintain expenditures within appropriations. The department shall  
18 electronically report to the appropriate committees of the legislature,  
19 within 45 days following each fiscal year quarter, the number of  
20 persons served with these additional community services, where they  
21 were residing, what kinds of services they were receiving prior to  
22 placement, and the actual expenditures for all community services to  
23 support these clients.

24 (f) \$900,000 of the general fund--state appropriation for fiscal  
25 year 2006 and \$2,000,000 of the general fund--state appropriation for  
26 fiscal year 2007 are provided solely for the implementation of a  
27 flexible family support pilot program for families who are providing  
28 care and support for family members with developmental disabilities.  
29 The program shall provide funding for support services such as respite  
30 care, training and counseling, assistive technologies, transition  
31 services, and assistance with extraordinary household expenses.

32 (i) To receive funding, an individual must: (A) Be eligible for  
33 services from the division of developmental disabilities; (B) live with  
34 his or her family; (C) not live independently or with a spouse; (D) not  
35 receive paid services through the division, including medicaid personal  
36 care and medicaid waiver services; and (E) have gross household income  
37 of less than or equal to four hundred percent of the federal poverty  
38 level.

1 (ii) The department shall determine individual funding awards based  
2 on the following criteria: (A) Documented need for services, with  
3 priority given to individuals in crisis or at immediate risk of needing  
4 institutional services, individuals who transition from high school  
5 without employment or day program opportunities, individuals cared for  
6 by a single parent, and individuals with multiple disabilities; (B)  
7 number and ages of family members and their relation to the individual  
8 with developmental disabilities; (C) gross annual household income; and  
9 (D) availability of state funds.

10 Funding awards may be made as one-time awards or on a renewable  
11 basis. Renewable awards shall be for a period of twelve months for the  
12 biennium. Awards shall be based upon the criteria provided in this  
13 subsection, but shall be within the following limits: Maximum of  
14 \$4,000 per year for an individual whose gross annual household income  
15 is up to 100 percent of the federal poverty level; maximum of \$3,000  
16 per year for an individual whose gross annual household income is up to  
17 200 percent of the federal poverty level; maximum of \$2,000 per year  
18 for an individual whose gross annual household income is up to 300  
19 percent of the federal poverty level; and maximum of \$1,000 per year  
20 for an individual whose gross annual household income is up to 400  
21 percent of the federal poverty level. Of the amounts provided in this  
22 subsection, \$150,000 of the general fund--state appropriation for  
23 fiscal year 2006 and \$300,000 of the general fund--state appropriation  
24 for fiscal year 2007 are provided solely for one-time awards.

25 (iii) Eligibility for, and the amount of, renewable awards and one-  
26 time awards shall be redetermined annually and shall correspond with  
27 the application of the department's mini-assessment tool. At the end  
28 of each award period, the department must redetermine eligibility for  
29 funding, including increases or reductions in the level of funding, as  
30 appropriate.

31 (iv) By November 1, 2006, the department shall provide  
32 recommendations to the appropriate policy and fiscal committees of the  
33 legislature on strategies for integrating state-funded family support  
34 programs, including, if appropriate, the flexible family support pilot  
35 program, into a single program. The department shall also provide a  
36 status report on the flexible family support pilot program, which shall  
37 include the following information: The number of applicants for

1 funding; the total number of awards; the number and amount of both  
2 annual and one-time awards, broken down by household income levels; and  
3 the purpose of the awards.

4 (v) The department shall manage enrollment and award levels so as  
5 to not exceed the amounts appropriated for this purpose.

6 (g) \$840,000 of the general fund--state appropriation for fiscal  
7 year 2006, \$1,979,000 of the general fund--state appropriation for  
8 fiscal year 2007, and \$1,219,000 of the general fund--federal  
9 appropriation are provided solely for employment and day services.  
10 Priority consideration for this new funding shall be young adults with  
11 developmental disabilities living with their family who need employment  
12 opportunities and assistance after high school graduation. Services  
13 shall be provided for both waiver and nonwaiver clients.

14 (h) \$1,000,000 of the general fund--state appropriation for fiscal  
15 year 2006, \$1,000,000 of the general fund--state appropriation for  
16 fiscal year 2007, and \$2,000,000 of the general fund--federal  
17 appropriation are provided for implementation of the administrative  
18 rate standardization. These amounts are in addition to any vendor rate  
19 increase adopted by the legislature.

20 (i) \$100,000 of the general fund--state appropriation for fiscal  
21 year 2006 is provided solely for services to community clients provided  
22 by licensed professionals at the state residential habilitation  
23 centers. The division shall submit claims for reimbursement for  
24 services provided to clients living in the community with medical  
25 assistance or third-party health coverage, as appropriate, and shall  
26 implement a system for billing clients without coverage. The  
27 department shall provide a report by December 1, 2006, to the  
28 appropriate committees of the legislature on the number of clients  
29 served, services provided, and expenditures and revenues associated  
30 with those services.

31 (2) INSTITUTIONAL SERVICES

32	General Fund--State Appropriation (FY 2006) . . . . .	\$73,857,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$73,780,000
34	General Fund--Federal Appropriation . . . . .	\$146,082,000
35	General Fund--Private/Local Appropriation . . . . .	\$12,000,000
36	TOTAL APPROPRIATION . . . . .	\$305,719,000

37 The appropriations in this subsection are subject to the following  
38 conditions and limitations: The developmental disabilities program is

1 authorized to use funds appropriated in this section to purchase goods  
2 and supplies through direct contracting with vendors when the program  
3 determines it is cost-effective to do so.

4 (3) PROGRAM SUPPORT

5	General Fund--State Appropriation (FY 2006)	\$2,398,000
6	General Fund--State Appropriation (FY 2007)	\$1,963,000
7	General Fund--Federal Appropriation	\$2,931,000
8	TOTAL APPROPRIATION	\$7,292,000

9 The appropriations in this subsection are subject to the following  
10 conditions and limitations: \$578,000 of the general fund--state  
11 appropriation for fiscal year 2006 and \$578,000 of the general fund--  
12 federal appropriation are provided solely for the purpose of developing  
13 and implementing a consistent needs assessment instrument for use on  
14 all clients with developmental disabilities. In developing the  
15 instrument, the department shall develop a process for collecting data  
16 on family income for minor children with developmental disabilities and  
17 all individuals who are receiving state-only funded services. The  
18 department shall ensure that this information is captured as part of  
19 the client assessment process.

20 (4) SPECIAL PROJECTS

21	General Fund--State Appropriation (FY 2006)	\$6,000
22	General Fund--State Appropriation (FY 2007)	\$2,000
23	General Fund--Federal Appropriation	\$16,597,000
24	TOTAL APPROPRIATION	\$16,605,000

25 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
26 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

27	General Fund--State Appropriation (FY 2006)	\$605,539,000
28	General Fund--State Appropriation (FY 2007)	\$618,093,000
29	General Fund--Federal Appropriation	\$1,261,251,000
30	General Fund--Private/Local Appropriation	\$18,779,000
31	Health Services Account--State Appropriation	\$4,888,000
32	TOTAL APPROPRIATION	\$2,508,550,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations:

35 (1) The entire health services account appropriation, \$610,000 of  
36 the general fund--state appropriation for fiscal year 2006, \$610,000 of

1 the general fund--state appropriation for fiscal year 2007, and  
2 \$5,552,000 of the general fund--federal appropriation are provided  
3 solely for health care benefits for agency home care workers who are  
4 employed through state contracts for at least twenty hours a week.

5 (a) For the period of July 1, 2005 through December 31, 2005, home  
6 care agencies may obtain coverage either through the basic health plan  
7 or through an alternative plan that provides substantially equivalent  
8 benefits.

9 (b) The department, in consultation with the health care authority,  
10 shall establish a health benefits purchasing cooperative for agency  
11 home care workers. The health benefits offered through the cooperative  
12 shall provide substantially equivalent benefits to the 2003 basic  
13 health plan benefits package. The cooperative shall offer coverage  
14 beginning January 1, 2006.

15 (c) Beginning January 1, 2006, home care agencies must obtain  
16 coverage either through the basic health plan, the health benefits  
17 purchasing cooperative established in (b) of this subsection, or the  
18 Taft Hartley trust established in accordance with the collective  
19 bargaining agreement for individual providers of home care services.

20 (2) For purposes of implementing chapter 74.46 RCW, the weighted  
21 average nursing facility payment rate shall not exceed \$150.55 for  
22 fiscal year 2006 and shall not exceed \$153.17 for fiscal year 2007.

23 (3) In accordance with chapter 74.46 RCW, the department shall  
24 issue certificates of capital authorization that result in up to \$16  
25 million of increased asset value completed and ready for occupancy in  
26 fiscal year 2006; up to \$16 million of increased asset value completed  
27 and ready for occupancy in fiscal year 2007; and up to \$16 million of  
28 increased asset value completed and ready for occupancy in fiscal year  
29 2008.

30 (4) Adult day health services shall not be considered a duplication  
31 of services for persons receiving care in long-term care settings  
32 licensed under chapter 18.20, 72.36, or 70.128 RCW.

33 (5) In accordance with chapter 74.39 RCW, the department may  
34 implement two medicaid waiver programs for persons who do not qualify  
35 for such services as categorically needy, subject to federal approval  
36 and the following conditions and limitations:

37 (a) One waiver program shall include coverage of care in community

1 residential facilities. Enrollment in the waiver shall not exceed 600  
2 persons at any time.

3 (b) The second waiver program shall include coverage of in-home  
4 care. Enrollment in this second waiver shall not exceed 200 persons at  
5 any time.

6 (c) The department shall identify the number of medically needy  
7 nursing home residents, and enrollment and expenditures on each of the  
8 two medically needy waivers, on monthly management reports.

9 (d) If it is necessary to establish a waiting list for either  
10 waiver because the budgeted number of enrollment opportunities has been  
11 reached, the department shall track how the long-term care needs of  
12 applicants assigned to the waiting list are met.

13 (6) \$1,413,000 of the general fund--state appropriation for fiscal  
14 year 2006, \$2,887,000 of the general fund--state appropriation for  
15 fiscal year 2007, and \$4,305,000 of the general fund--federal  
16 appropriation are provided solely to increase compensation for direct  
17 care workers employed by home care agencies by 27 cents per hour on  
18 July 1, 2005, and by an additional 23 cents per hour on July 1, 2006.  
19 The amounts in this subsection also include the funds needed for the  
20 employer share of unemployment and social security taxes on the amount  
21 of the increase.

22 (7) \$1,786,000 of the general fund--state appropriation for fiscal  
23 year 2006 and \$1,804,000 of the general fund--state appropriation for  
24 fiscal year 2007 are provided solely for operation of the volunteer  
25 chore services program.

26 (8) The department shall establish waiting lists to the extent  
27 necessary to assure that annual expenditures on the community options  
28 program entry systems (COPES) program do not exceed appropriated  
29 levels. In establishing and managing any such waiting list, the  
30 department shall assure priority access to persons with the greatest  
31 unmet needs, as determined by department assessment processes.

32 (9) \$93,000 of the general fund--state appropriation for fiscal  
33 year 2006, \$8,000 of the general fund--state appropriation for fiscal  
34 year 2007, and \$101,000 of the general fund--federal appropriation are  
35 provided solely to expand the number of boarding homes that receive  
36 exceptional care rates for persons with Alzheimer's disease and related  
37 dementias who might otherwise require nursing home care. The

1 department may expand the number of licensed boarding home facilities  
2 that specialize in caring for such conditions by up to 85 beds in  
3 fiscal year 2006 and up to 150 beds in fiscal year 2007.

4 (10) \$305,000 of the general fund--state appropriation for fiscal  
5 year 2006 and \$377,000 of the general fund--state appropriation for  
6 fiscal year 2007 are provided solely for the senior farmer's market  
7 nutrition program.

8 (11) Within amounts appropriated in this section, the department  
9 shall develop and implement a pilot program that authorizes assisted  
10 living facilities to offer dual-occupancy accommodations to publicly-  
11 funded residents who would otherwise be placed in a skilled nursing  
12 facility or adult family home. The pilot shall include contracted  
13 assisted living facilities that are ineligible to receive capital add-  
14 on payments and whose Medicaid occupancy rates exceeded 50 percent as  
15 of December 31, 2004.

16 (12) \$109,000 of the general fund--state appropriation for fiscal  
17 year 2006, \$90,000 of the general fund--state appropriation for fiscal  
18 year 2007, and \$198,000 of the general fund--federal appropriation are  
19 provided solely for the implementation of Second Substitute House Bill  
20 No. 1220 (long-term care financing). If the bill is not enacted by  
21 June 30, 2005, the amounts provided in this subsection shall lapse.

22 (13) \$150,000 of the general fund--state appropriation for fiscal  
23 year 2006 and \$150,000 of the general fund--state appropriation for  
24 fiscal year 2007 are provided solely for area agencies on aging, or  
25 entities with which area agencies on aging contract, to provide a  
26 kinship navigator for grandparents and other kinship caregivers of  
27 children in both western and eastern Washington.

28 (a) Kinship navigator services shall include but not be limited to  
29 assisting kinship caregivers with understanding and navigating the  
30 system of services for children in out-of-home care while reducing  
31 barriers faced by kinship caregivers when accessing services.

32 (b) In providing kinship navigator services, area agencies on aging  
33 shall give priority to helping kinship caregivers maintain their  
34 caregiving role by helping them access existing services and supports,  
35 thus keeping children from entering foster care.

36 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

1 **SERVICES--ECONOMIC SERVICES PROGRAM**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$474,763,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$479,411,000
4	General Fund--Federal Appropriation . . . . .	\$1,238,190,000
5	General Fund--Private/Local Appropriation . . . . .	\$31,466,000
6	TOTAL APPROPRIATION . . . . .	\$2,223,830,000

7 The appropriations in this section are subject to the following  
8 conditions and limitations:

9 (1) \$273,333,000 of the general fund--state appropriation for  
10 fiscal year 2006, \$273,333,000 of the general fund--state appropriation  
11 for fiscal year 2007, and \$1,020,292,000 of the general fund--federal  
12 appropriation are provided solely for all components of the WorkFirst  
13 program. Within the amounts provided for the WorkFirst program, the  
14 department shall:

15 (a) Continue to implement WorkFirst program improvements that are  
16 designed to achieve progress against outcome measures specified in RCW  
17 74.08A.410. Outcome data regarding job retention and wage progression  
18 shall be reported quarterly to appropriate fiscal and policy committees  
19 of the legislature for families who leave assistance, measured after 12  
20 months, 24 months, and 36 months. The department shall also report the  
21 percentage of families who have returned to temporary assistance for  
22 needy families after 12 months, 24 months, and 36 months; and

23 (b) Submit a report by October 1, 2005, to the fiscal committees of  
24 the legislature containing a spending plan for the WorkFirst program.  
25 The plan shall identify how spending levels in the 2005-2007 biennium  
26 will be adjusted to stay within available federal grant levels and the  
27 appropriated state-fund levels.

28 (2) \$75,833,000 of the general fund--state appropriation for fiscal  
29 year 2006 and \$74,358,000 of the general fund--state appropriation for  
30 fiscal year 2007 are provided solely for cash assistance and other  
31 services to recipients in the general assistance--unemployable program.  
32 Within these amounts:

33 (a) The department may expend funds for services that assist  
34 recipients to obtain employment and reduce their dependence on public  
35 assistance, provided that expenditures for these services and cash  
36 assistance do not exceed the funds provided. Mental health, substance  
37 abuse, and vocational rehabilitation services may be provided to  
38 recipients whose incapacity is not severe enough to qualify for

1 services through a regional support network, the alcoholism and drug  
2 addiction treatment and support act, or the division of vocational  
3 rehabilitation to the extent that those services are necessary to  
4 eliminate or minimize barriers to employment;

5 (b) The department shall review the general assistance caseload to  
6 identify recipients that would benefit from assistance in becoming  
7 naturalized citizens, and thus be eligible to receive federal  
8 supplemental security income benefits. Those cases shall be given high  
9 priority for naturalization funding through the department; and

10 (c) The department shall identify general assistance recipients who  
11 are or may be eligible to receive health care coverage or services  
12 through the federal veteran's administration and assist recipients in  
13 obtaining access to those benefits.

14 (3) Within amounts appropriated in this section, the department  
15 shall increase the state supplemental payment by \$10 per month for SSI  
16 clients who reside in nursing facilities, residential habilitation  
17 centers, or state hospitals and who receive a personal needs allowance  
18 and decrease other state supplemental payments.

19 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
20 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

21	General Fund--State Appropriation (FY 2006) . . . . .	\$51,834,000
22	General Fund--State Appropriation (FY 2007) . . . . .	\$59,746,000
23	General Fund--Federal Appropriation . . . . .	\$108,545,000
24	General Fund--Private/Local Appropriation . . . . .	\$626,000
25	Criminal Justice Treatment Account--State Appropriation .	\$16,500,000
26	Violence Reduction and Drug Enforcement Account--State	
27	Appropriation . . . . .	\$48,842,000
28	Problem Gambling Treatment Account--State Appropriation . .	\$1,500,000
29	Public Safety and Education Account--State	
30	Appropriation . . . . .	\$2,077,000
31	TOTAL APPROPRIATION . . . . .	\$289,670,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: \$1,500,000 of the problem gambling  
34 treatment account appropriation is provided solely for the program  
35 established in Engrossed Substitute House Bill No. 1031 (problem  
36 gambling). If legislation creating the account is not enacted by June  
37 30, 2005, this amount shall lapse.

1 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--MEDICAL ASSISTANCE PROGRAM**

3	General Fund--State Appropriation (FY 2006) . . . . .	\$1,478,330,000
4	General Fund--State Appropriation (FY 2007) . . . . .	\$1,589,362,000
5	General Fund--Federal Appropriation . . . . .	\$4,027,843,000
6	General Fund--Private/Local Appropriation . . . . .	\$2,000,000
7	Emergency Medical Services and Trauma Care Systems	
8	Trust Account--State Appropriation . . . . .	\$15,500,000
9	Health Services Account--State Appropriation . . . . .	\$637,441,000
10	TOTAL APPROPRIATION . . . . .	\$7,750,476,000

11 The appropriations in this section are subject to the following  
12 conditions and limitations:

13 (1) Based on quarterly expenditure reports and caseload forecasts,  
14 if the department estimates that expenditures for the medical  
15 assistance program will exceed the appropriations, the department shall  
16 take steps including but not limited to reduction of rates or  
17 elimination of optional services to reduce expenditures so that total  
18 program costs do not exceed the annual appropriation authority.

19 (2) The department shall continue to extend medicaid eligibility to  
20 children through age 18 residing in households with incomes below 200  
21 percent of the federal poverty level.

22 (3) In determining financial eligibility for medicaid-funded  
23 services, the department is authorized to disregard recoveries by  
24 Holocaust survivors of insurance proceeds or other assets, as defined  
25 in RCW 48.104.030.

26 (4) Sufficient amounts are appropriated in this section for the  
27 department to continue podiatry services for medicaid-eligible adults.

28 (5) Sufficient amounts are appropriated in this section for the  
29 department to provide an adult dental benefit that is equivalent to the  
30 benefit provided in the 2003-05 biennium.

31 (6) In accordance with RCW 74.46.625, \$6,000,000 of the general  
32 fund--federal appropriation is provided solely for supplemental  
33 payments to nursing homes operated by public hospital districts. The  
34 public hospital district shall be responsible for providing the  
35 required nonfederal match for the supplemental payment, and the  
36 payments shall not exceed the maximum allowable under federal rules.  
37 It is the legislature's intent that the payments shall be supplemental  
38 to and shall not in any way offset or reduce the payments calculated

1 and provided in accordance with part E of chapter 74.46 RCW. It is the  
2 legislature's further intent that costs otherwise allowable for rate-  
3 setting and settlement against payments under chapter 74.46 RCW shall  
4 not be disallowed solely because such costs have been paid by revenues  
5 retained by the nursing home from these supplemental payments.

6 (7) \$1,660,000 of the health services account appropriation,  
7 \$4,361,000 of the general fund--federal appropriation, \$1,350,000 of  
8 the general fund--state appropriation for fiscal year 2006, and  
9 \$1,351,000 of the general fund--state appropriation for fiscal year  
10 2007 are provided solely for grants to rural hospitals. The department  
11 shall distribute the funds under a formula that provides a relatively  
12 larger share of the available funding to hospitals that (a) serve a  
13 disproportionate share of low-income and medically indigent patients  
14 and (b) have relatively smaller net financial margins, to the extent  
15 allowed by the federal medicaid program.

16 (8) \$22,081,000 of the health services account appropriation and  
17 \$20,714,000 of the general fund--federal appropriation are provided  
18 solely for grants to nonrural hospitals. The department shall  
19 distribute the funds under a formula that provides a relatively larger  
20 share of the available funding to hospitals that (a) serve a  
21 disproportionate share of low-income and medically indigent patients  
22 and (b) have relatively smaller net financial margins, to the extent  
23 allowed by the federal medicaid program.

24 (9) In response to the federal directive to eliminate  
25 intergovernmental transfer transactions effective June 30, 2005, the  
26 department is directed to implement the inpatient hospital certified  
27 public expenditures program for the 2005-07 biennium. The program  
28 shall apply to all public hospitals, including those owned or operated  
29 by the state, except those classified as critical access hospitals or  
30 state psychiatric institutions. Hospitals in the program shall be paid  
31 and shall retain (a) one hundred percent of the federal portion of each  
32 medicaid inpatient fee-for-service claim payable by the medical  
33 assistance administration; and (b) one hundred percent of the federal  
34 portion of the maximum disproportionate share hospital payment  
35 allowable under federal regulations. Medicaid fee-for-service claim  
36 amounts shall be established by applying the department's ratio of  
37 costs to charges payment methodology. The department shall provide  
38 participating hospitals with the information needed by the hospital to

1 certify the public expenditures required to qualify for the federal  
2 portions of both the medicaid inpatient fee-for-service payments and  
3 the disproportionate share hospital payments. The legislature intends  
4 that hospitals in the program receive no less in combined state and  
5 federal payments than they would have received under the methodology  
6 that was in place during fiscal year 2005. In the event that any part  
7 of the program including, but not limited to, allowable certified  
8 public expenditures, is disallowed by the federal government, the  
9 department shall not seek recoupment of payments from the hospitals,  
10 provided the hospitals have complied with the directions of the  
11 department for participation in the program. The department shall  
12 therefore make additional grant payments, not to exceed the amounts  
13 provided in this subsection, to hospitals whose total payments under  
14 the program would otherwise be less than the total state and federal  
15 payments they would have received under the methodology in effect  
16 during fiscal year 2005. \$37,034,000 of the general fund--state  
17 appropriation for fiscal year 2006, \$37,552,000 of the general fund--  
18 state appropriation for fiscal year 2007, \$8,300,000 of the emergency  
19 medical services and trauma care systems trust account--state  
20 appropriation, and \$45,450,000 of the general fund--federal  
21 appropriation are provided solely for new state grant and upper payment  
22 limit programs for the participating hospitals.

23 (10) \$4,372,000 of the general fund--state appropriation for fiscal  
24 year 2006, \$4,014,000 of the general fund--state appropriation for  
25 fiscal year 2007, and \$65,112,000 of the general fund--federal  
26 appropriation are provided solely for development and implementation of  
27 a replacement system for the existing medicaid management information  
28 system.

29 (11) \$150,000 of the general fund--state appropriation for fiscal  
30 year 2006, \$75,000 of the general fund--state appropriation for fiscal  
31 year 2007, and \$225,000 of the general fund--federal appropriation are  
32 provided solely for the department to contract for an independent  
33 analysis of the medical assistance administration's current system for  
34 establishing hospital inpatient payment rates, and for recommendations  
35 on a new or updated system. The department shall submit an interim  
36 report of study findings by December 1, 2005, and a final report by  
37 November 15, 2006. The interim report shall include a comparison of  
38 the strengths and weaknesses of the current rate-setting system

1 relative to those used by other state, federal, and private payers,  
2 including states with all-payer hospital rate setting systems. The  
3 final report shall include recommendations on the design and  
4 implementation of a new or updated system that will promote equity  
5 among hospitals, access to quality care and improved health outcomes  
6 for patients, and cost-control and efficiency for taxpayers. The study  
7 should make use of complete and current cost data from a wide variety  
8 of hospitals, recognize unique aspects of hospital service delivery  
9 structures and medicaid payment systems in Washington, recognize  
10 impacts on productivity and quality of care that may result from  
11 hospital compensation, recruitment, and retention policies, and provide  
12 opportunities for comment and participation by key interest groups in  
13 the identification and assessment of alternatives.

14 (12) Payment rates for hospital inpatient and outpatient services  
15 shall be increased by an average of 1.5 percent effective July 1, 2005,  
16 and by an average of an additional 1.5 percent effective July 1, 2006.  
17 The increases shall be provided only on the portion of a hospital's  
18 rate that excludes medical education and outlier costs, and shall be  
19 allocated so that hospitals with lower costs of care (excluding medical  
20 education and outlier costs) receive larger percentage increases than  
21 those with higher costs of care. The increases shall be allocated in  
22 three percentage increments, with the lowest-cost hospitals receiving  
23 the largest percentage rate increase, highest-cost hospitals receiving  
24 the smallest percentage increase, and medium-cost hospitals receiving  
25 the average of the highest and the lowest percentage rate increase.  
26 Increases shall not be provided to those hospitals that are certified  
27 as critical access. Sufficient funds are appropriated in this section  
28 for Healthy Options contractors to increase hospital payment rates  
29 commensurate with the increases in fee-for-service payment rates.

30 (13) When a person is ineligible for medicaid solely by reason of  
31 residence in an institution for mental diseases, the department shall  
32 provide the person with the same benefits as he or she would receive if  
33 eligible for medicaid, using state-only funds to the extent necessary.

34 (14) The medical assistance administration is authorized to use  
35 funds appropriated in this section to purchase goods and supplies  
36 through direct contracting with vendors when the administration  
37 determines it is cost-effective to do so.

1 (15) The legislature affirms that it is in the state's interest for  
2 Harborview medical center to remain an economically viable component of  
3 the state's health care system.

4 (16) By October 1, 2005, the department shall recommend to the  
5 governor and legislature at least two pilot project designs which seem  
6 likely to reduce avoidable emergency room utilization at no net cost to  
7 the state within the projects' first eighteen months of operation.

8 (17) \$69,000 of the general fund--state appropriation for fiscal  
9 year 2006, \$137,000 of the general fund--state appropriation for fiscal  
10 year 2007, and \$207,000 of the general fund--federal appropriation are  
11 provided solely for participation in the health technology assessment  
12 program required in section 214(6) of this act.

13 (18) The department is also required to participate in the joint  
14 health purchasing project described in section 214(7) of this act.

15 (19) The department shall, within available resources, continue  
16 operation of the medical care services care management pilot project  
17 for clients receiving general assistance benefits in King and Pierce  
18 counties. The project may use a full or partial capitation model that  
19 includes a mechanism for shared savings. To the extent that experience  
20 with the pilot project indicates progress toward the goals of  
21 maximizing care coordination, high-risk medical management, and chronic  
22 care management to achieve better health outcomes, the department may  
23 expand the pilot project to additional counties.

24 (20) The department will begin voluntary enrollment of SSI and  
25 other eligible medicaid elderly and disabled persons into managed care  
26 pilots by March 2006.

27 (21) Within the funding provided in section 207(2) of this act, the  
28 medical assistance administration and the economic services  
29 administration may implement a time-limited transitional prescription  
30 drug benefit for general assistance unemployable recipients who obtain  
31 employment and who have no other source of health insurance coverage.  
32 The benefit shall be limited to coverage of prescription drugs and  
33 medication management. The benefit shall be limited to one year. The  
34 department shall implement a premium schedule for the benefits under  
35 this subsection that is related to the participant's income. The  
36 minimum premium shall be twenty dollars per month. Recipients of this  
37 transitional benefit shall not be considered part of the general

1 assistance caseload unless eligibility is established under standard  
2 reapplication procedures.

3 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
4 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

5	General Fund--State Appropriation (FY 2006) . . . . .	\$11,097,000
6	General Fund--State Appropriation (FY 2007) . . . . .	\$11,074,000
7	General Fund--Federal Appropriation . . . . .	\$85,662,000
8	General Fund--Private/Local Appropriation . . . . .	\$440,000
9	Telecommunications Devices for the Hearing and	
10	Speech Impaired--State Appropriation . . . . .	\$1,786,000
11	TOTAL APPROPRIATION . . . . .	\$110,059,000

12 The appropriations in this section are subject to the following  
13 conditions and limitations: The division of vocational rehabilitation  
14 shall maintain support for existing clubhouse programs at the 2003-2005  
15 level.

16 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
17 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

18	General Fund--State Appropriation (FY 2006) . . . . .	\$31,347,000
19	General Fund--State Appropriation (FY 2007) . . . . .	\$27,597,000
20	General Fund--Federal Appropriation . . . . .	\$50,360,000
21	General Fund--Private/Local Appropriation . . . . .	\$810,000
22	Public Safety and Education Account--State	
23	Appropriation . . . . .	\$20,000
24	Violence Reduction and Drug Enforcement Account--State	
25	Appropriation . . . . .	\$6,000,000
26	TOTAL APPROPRIATION . . . . .	\$110,140,000

27 The appropriations in this section are subject to the following  
28 conditions and limitations:

29 (1) \$1,000,000 of the general fund--state appropriation for fiscal  
30 year 2006 and \$1,000,000 of the general fund--state appropriation for  
31 fiscal year 2007 are provided solely for funding of the teamchild  
32 project through the governor's juvenile justice advisory committee.

33 (2) \$13,000 of the general fund--state appropriation for fiscal  
34 year 2006 and \$12,000 of the general fund--state appropriation for  
35 fiscal year 2007 are provided solely for the Washington council for the

1 prevention of child abuse and neglect to conduct a public information  
2 and outreach campaign concerning the significance, signs, and treatment  
3 of postpartum depression.

4 (3) \$3,195,000 of the general fund--state appropriation for fiscal  
5 year 2006, \$639,000 of the general fund--state appropriation for fiscal  
6 year 2007, and \$3,833,000 of the general--fund federal appropriation  
7 are provided solely to implement the 2005-07 home care worker  
8 collective bargaining agreement.

9 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
10 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

11	General Fund--State Appropriation (FY 2006) . . . . .	\$46,381,000
12	General Fund--State Appropriation (FY 2007) . . . . .	\$46,380,000
13	General Fund--Federal Appropriation . . . . .	\$45,103,000
14	TOTAL APPROPRIATION . . . . .	\$137,864,000

15 NEW SECTION. **Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
16 **SERVICES--INFORMATION SERVICES SYSTEM**

17	General Fund--State Appropriation (FY 2006) . . . . .	\$274,000
18	General Fund--State Appropriation (FY 2007) . . . . .	\$274,000
19	TOTAL APPROPRIATION . . . . .	\$448,000

20 NEW SECTION. **Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY**

21	General Fund--Federal Appropriation . . . . .	\$2,766,000
22	State Health Care Authority Administrative Account--	
23	State Appropriation . . . . .	\$29,392,000
24	Medical Aid Account--State Appropriation . . . . .	\$171,000
25	Health Services Account--State Appropriation . . . . .	\$457,290,000
26	TOTAL APPROPRIATION . . . . .	\$489,619,000

27 The appropriations in this section are subject to the following  
28 conditions and limitations:

29 (1) Within amounts appropriated in this section and sections 205  
30 and 206 of this act, the health care authority shall continue to  
31 provide an enhanced basic health plan subsidy for foster parents  
32 licensed under chapter 74.15 RCW and workers in state-funded home care  
33 programs. Under this enhanced subsidy option, foster parents and home  
34 care workers with family incomes below 200 percent of the federal

1 poverty level shall be allowed to enroll in the basic health plan at  
2 the minimum premium amount charged to enrollees with incomes below  
3 sixty-five percent of the federal poverty level.

4 (2) The health care authority shall require organizations and  
5 individuals which are paid to deliver basic health plan services and  
6 which choose to sponsor enrollment in the subsidized basic health plan  
7 to pay 133 percent of the premium amount which would otherwise be due  
8 from the sponsored enrollees.

9 (3) The administrator shall take at least the following actions to  
10 assure that persons participating in the basic health plan are eligible  
11 for the level of assistance they receive: (a) Require submission of  
12 (i) income tax returns, and recent pay history, from all applicants, or  
13 (ii) other verifiable evidence of earned and unearned income from those  
14 persons not required to file income tax returns; (b) check employment  
15 security payroll records at least once every twelve months on all  
16 enrollees; (c) require enrollees whose income as indicated by payroll  
17 records exceeds that upon which their subsidy is based to document  
18 their current income as a condition of continued eligibility; (d)  
19 require enrollees for whom employment security payroll records cannot  
20 be obtained to document their current income at least once every six  
21 months; (e) not reduce gross family income for self-employed persons by  
22 noncash-flow expenses such as, but not limited to, depreciation,  
23 amortization, and home office deductions, as defined by the United  
24 States internal revenue service; and (f) pursue repayment and civil  
25 penalties from persons who have received excessive subsidies, as  
26 provided in RCW 70.47.060(9).

27 (4) \$19,108,000 of the health services account--state appropriation  
28 is provided solely for funding for health care services provided  
29 through local community clinics.

30 (5) \$391,000 of the health services account appropriation is  
31 provided solely for implementation of House Bill No. 1219 (drug  
32 purchasing consortium). If House Bill No. 1219 is not enacted by June  
33 30, 2005, the amount provided in this subsection shall lapse.

34 (6) \$221,000 of the health services account--state appropriation is  
35 provided solely for a health technology assessment to evaluate  
36 scientific evidence regarding current and evolving health care  
37 procedures, services and technology. The pilot shall be a joint effort  
38 of the departments of social and health services, labor and industries,

1 corrections, and veteran's affairs and the health care authority. Upon  
2 completion of assessment of a procedure, service or technology, the  
3 agencies shall make every effort, consistent with federal and state  
4 law, to jointly decide: (a) On coverage of the procedure, service or  
5 technology by each agency, and (b) if covered, the guidelines or  
6 criteria that will be applied to medical necessity decisions.

7 (7) The departments of social and health services, labor and  
8 industries and the health care authority, in collaboration with  
9 affected health care providers, facilities, and contracted health  
10 plans, shall design and implement a joint health purchasing project  
11 that links payment to health care provider or facility performance,  
12 particularly where such performance is expected to improve patient  
13 outcomes or where there are wide variations in clinical practice used  
14 to treat a condition or illness. The purchasing effort shall utilize  
15 evidence-based performance measures that are designed to improve  
16 quality of care and yield measurable and significant savings. The  
17 project may include payment mechanisms that create incentives to  
18 improve quality of care. On or before December 1, 2006, the agencies  
19 shall report to relevant policy and fiscal committees of the  
20 legislature on the status of the purchasing project, including actual  
21 and anticipated savings.

22 (8) \$630,000 of the health services account appropriation is  
23 provided solely for implementation of House Bill No. 2069 (small  
24 business assistance program). If House Bill No. 2069 is not enacted by  
25 June 30, 2005, the amount provided in this subsection shall lapse.

26 (9) \$750,000 of the health services account appropriation is  
27 provided solely for implementation of House Bill No. 1689 (dental  
28 residency program). If House Bill No. 1689 is not enacted by June 30,  
29 2005, the amount provided in this subsection shall lapse.

30 (10) \$403,000 of the health services account appropriation is  
31 provided solely for implementation of House Bill No. 2060 (non-  
32 subsidized basic health plan). If House Bill No. 2060 is not enacted  
33 by June 30, 2005, the amount provided in this subsection shall lapse.

34 (11) \$250,000 of the health services account appropriation is  
35 provided solely for implementation of House Bill No. 1688 (certificate  
36 of need program). If House Bill No. 1688 is not enacted by June 30,  
37 2005, the amount provided in this subsection shall lapse.

1            NEW SECTION.    **Sec. 215.    FOR THE HUMAN RIGHTS COMMISSION**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$2,654,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$2,616,000
4	General Fund--Federal Appropriation . . . . .	\$1,672,000
5	TOTAL APPROPRIATION . . . . .	\$6,942,000

6            The appropriations in this section are subject to the following  
7 conditions and limitations:

8            (1) The commission shall submit a report by December 1st of each  
9 year to the office of financial management and the legislative fiscal  
10 committees detailing any changes in existing federal revenues for the  
11 remainder of the current fiscal year and changes in projections of  
12 federal revenue for the upcoming fiscal year.

13            (2) \$85,000 of the general fund--state appropriation for fiscal  
14 year 2006 and \$67,000 of the general fund state appropriation for  
15 fiscal year 2007 are provided solely for the implementation of House  
16 Bill No. 1515 (expanding the jurisdiction of the human rights  
17 commission). If House Bill No. 1515 is not enacted by June 30, 2005,  
18 the amounts provided in this subsection shall lapse.

19            NEW SECTION.    **Sec. 216.    FOR THE BOARD OF INDUSTRIAL INSURANCE**  
20 **APPEALS**

21	Worker and Community Right-to-Know Account--State	
22	Appropriation . . . . .	\$20,000
23	Accident Account--State Appropriation . . . . .	\$15,895,000
24	Medical Aid Account--State Appropriation . . . . .	\$15,894,000
25	TOTAL APPROPRIATION . . . . .	\$31,809,000

26            NEW SECTION.    **Sec. 217.    FOR THE CRIMINAL JUSTICE TRAINING**  
27 **COMMISSION**

28	Public Safety and Education Account--State	
29	Appropriation . . . . .	\$19,076,000
30	Death Investigations Account--State Appropriation . . . . .	\$148,000
31	Municipal Criminal Justice Assistance Account--	
32	Private/Local Appropriation . . . . .	\$460,000
33	TOTAL APPROPRIATION . . . . .	\$19,684,000

34            The appropriations in this section are subject to the following  
35 conditions and limitations:

1 (1) During the 2005-2007 biennium, the criminal justice training  
 2 commission is authorized to raise existing fees charged for firearms  
 3 certification for security guards in excess of the fiscal growth factor  
 4 established pursuant to RCW 43.135.055, if necessary, to meet the  
 5 actual costs of conducting the certification programs and the  
 6 appropriation levels in this section.

7 (2) \$100,000 of the public safety and education account--state  
 8 appropriation is provided solely for support of the coalition of small  
 9 police agencies major crimes task force. The purpose of this task  
 10 force is to pool its resources and to establish an efficient and  
 11 cooperative approach in addressing major violent crimes.

12 (3) \$25,000 of the public safety and education account  
 13 appropriation is provided solely to increase payment rates for the  
 14 criminal justice training commission's contract with the Washington  
 15 association of sheriffs and police chiefs.

16 (4) \$11,000 of the public safety and education account  
 17 appropriation is provided solely to increase payment rates for the  
 18 criminal justice training commission's contracted food service  
 19 provider.

20 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF LABOR AND**  
 21 **INDUSTRIES**

22	General Fund--State Appropriation (FY 2006) . . . . .	\$7,230,000
23	General Fund--State Appropriation (FY 2007) . . . . .	\$7,145,000
24	Public Safety and Education Account--State	
25	Appropriation . . . . .	\$26,832,000
26	Public Safety and Education Account--Federal	
27	Appropriation . . . . .	\$10,000,000
28	Asbestos Account--State Appropriation . . . . .	\$782,000
29	Electrical License Account--State Appropriation . . . . .	\$32,269,000
30	Farm Labor Revolving Account--Private/Local	
31	Appropriation . . . . .	\$28,000
32	Worker and Community Right-to-Know Account--State	
33	Appropriation . . . . .	\$1,732,000
34	Public Works Administration Account--State	
35	Appropriation . . . . .	\$3,041,000
36	Accident Account--State Appropriation . . . . .	\$197,777,000
37	Accident Account--Federal Appropriation . . . . .	\$13,616,000

1	Medical Aid Account--State Appropriation . . . . .	\$196,183,000
2	Medical Aid Account--Federal Appropriation . . . . .	\$3,180,000
3	Plumbing Certificate Account--State Appropriation . . . . .	\$1,560,000
4	Pressure Systems Safety Account--State Appropriation . . . . .	\$3,089,000
5	TOTAL APPROPRIATION . . . . .	\$504,464,000

6 The appropriations in this section are subject to the following  
7 conditions and limitations:

8 (1) \$700,000 of the accident account--state appropriation and  
9 \$699,000 of the medical aid account--state appropriation are provided  
10 solely for the construction of a computer system to collect data from  
11 self-insured employers and are contingent on the passage of Substitute  
12 House Bill No. 1310 (workers compensation reporting) on mandatory  
13 electronic data reporting by self-insured employers. If the bill is  
14 not enacted by June 30, 2005, the amounts provided in this subsection  
15 shall lapse.

16 (2) \$26,831,000 of the public safety and education account--state  
17 appropriation and \$10,000,000 of the public safety and education  
18 account--federal appropriation are provided solely for the crime  
19 victims' compensation program. If the department estimates that  
20 expenditures for crime victims' compensation will exceed the  
21 appropriation, the department shall take steps, including but not  
22 limited to reduction of rates or elimination of optional services, to  
23 reduce expenditures so that total program costs do not exceed the  
24 annual appropriation authority.

25 (3) \$200,000 of the accident account--state appropriation for the  
26 fiscal year 2006 is provided to the department of agriculture solely  
27 for the cholinesterase worker training program.

28 (4) \$71,000 of the medical aid account--state appropriation and  
29 \$71,000 of the accident account--state appropriation for the fiscal  
30 year 2007 are provided solely for the review of payment of medical  
31 bills and authorization for medical procedures by self-insurers.

32 (5) The department is required to participate in the health  
33 technology assessment program required in section 214(6) of this act.

34 (6) The department is also required to participate in the joint  
35 health purchasing project described in section 214(7) of this act.

36 (7) \$125,000 of the accident account--state appropriation and  
37 \$250,000 of the medical aid account--state appropriation are provided  
38 solely to conduct a study of the retrospective rating program. If

1 necessary, the department may contract with outside experts to complete  
2 various aspects of the study. The department shall consult with the  
3 workers' compensation advisory committee in selecting the firms that  
4 will be awarded any contracts. The department shall present the  
5 results of the study to the legislature by December 1, 2005.

6 The study shall examine the following aspects of the retrospective  
7 rating program:

8 (a) The benefits to the retrospective rating program and costs to  
9 the department of returning portions of the retrospective incentive  
10 payments directly to members of the retrospective rating groups;

11 (b) The effect of the criteria set forth in RCW 51.18.020 used to  
12 review proposed retrospective rating groups prior to allowing their  
13 initial entrance into the state's retrospective rating program, and  
14 whether these criteria should be amended to meet the legislature's  
15 expressed goal of "substantial similarity" of employers within a  
16 retrospective rating group;

17 (c) The extent of adverse selection of members by sponsors of  
18 retrospective rating groups, including both applicants for membership  
19 in retrospective rating groups who are denied entry by sponsors as well  
20 as members of retrospective rating groups who are denied continuing  
21 participation by sponsors;

22 (d) The impact of the retrospective rating program on the premium  
23 rates of employers who are not participants in the retrospective rating  
24 program;

25 (e) The impact of comparing the performance of members of  
26 retrospective rating groups to the performance of employers who are not  
27 participants in the retrospective rating program, rather than their own  
28 past performance;

29 (f) The effect of determining the amount of incentive payments to  
30 sponsors of retrospective rating groups based in part on worker  
31 contributions to the medical aid fund, and paying such amounts solely  
32 from the accident fund;

33 (g) The degree to which the retrospective rating program decreases  
34 the severity and the frequency of accidents and occupational diseases;

35 (h) The degree to which the calculation of the incentive payments  
36 should reward safety over worker outcomes;

37 (i) The method by which the department determines the developed

1 losses of retrospective rating groups, and the extent to which that  
2 method includes the use of similar injuries and present values;

3 (j) The extent to which retrospective rating groups have created  
4 corporate shells and trusts to avoid strict compliance with the letter  
5 and spirit of chapter 51.18 RCW; and

6 (k) Methods of eliminating barriers to entry and lessening the  
7 competitive disadvantages faced by retrospective rating groups that are  
8 smaller in size.

9 (8) \$110,000 of the general fund--state appropriation for fiscal  
10 year 2006 and \$84,000 of the general fund--state appropriation for  
11 fiscal year 2007 are provided for the implementation of Substitute  
12 House Bill No. 1393 (older mobile homes). If the bill is not enacted  
13 by June 30, 2005, the amount provided in this subsection shall lapse.

14 NEW SECTION. **Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW**  
15 **BOARD**

16	General Fund--State Appropriation (FY 2006) . . . . .	\$1,060,000
17	General Fund--State Appropriation (FY 2007) . . . . .	\$1,055,000
18	TOTAL APPROPRIATION . . . . .	\$2,115,000

19 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

20 (1) HEADQUARTERS

21	General Fund--State Appropriation (FY 2006) . . . . .	\$1,803,000
22	General Fund--State Appropriation (FY 2007) . . . . .	\$1,737,000
23	Charitable, Educational, Penal, and Reformatory	
24	Institutions Account--State Appropriation . . . . .	\$10,000
25	TOTAL APPROPRIATION . . . . .	\$3,550,000

26 The appropriations in this subsection are subject to the following  
27 conditions and limitations:

28 (a) The department shall participate in the health technology  
29 assessment program required in section 214(6) of this act.

30 (b) The department shall participate in the joint health purchasing  
31 project described in section 214(7) of this act.

32 (c) \$25,000 of the general fund--state appropriation for fiscal  
33 year 2006 is provided for the department to conduct a feasibility study  
34 of a veterans' cemetery in eastern Washington. The study shall include  
35 location, acquisition costs, projection of continued operations costs,

1 and revenue sources for acquisition and operations. A final report of  
2 the findings shall be submitted no later than December 15, 2005.

3 (2) FIELD SERVICES

4	General Fund--State Appropriation (FY 2006) . . . . .	\$2,750,000
5	General Fund--State Appropriation (FY 2007) . . . . .	\$2,726,000
6	General Fund--Federal Appropriation . . . . .	\$318,000
7	General Fund--Private/Local Appropriation . . . . .	\$1,943,000
8	TOTAL APPROPRIATION . . . . .	\$7,737,000

9 The appropriations in this subsection are subject to the following  
10 conditions and limitations:

11 (a) \$25,000 of the general fund--state appropriation for fiscal  
12 year 2006 is provided solely for the development of a public service  
13 announcement outreach campaign directed at returning veterans from  
14 Operation Iraqi Freedom and Operation Enduring Freedom.

15 (b) \$75,000 of the general fund--state appropriation for fiscal  
16 year 2006 and \$95,000 of the general fund--state appropriation for  
17 fiscal year 2007 are provided solely for the posttraumatic stress  
18 counseling program expansion to address the needs of veterans returning  
19 from Iraq and Afghanistan.

20 (3) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2006) . . . . .	\$7,099,000
22	General Fund--State Appropriation (FY 2007) . . . . .	\$6,208,000
23	General Fund--Federal Appropriation . . . . .	\$31,799,000
24	General Fund--Private/Local Appropriation . . . . .	\$26,454,000
25	TOTAL APPROPRIATION . . . . .	\$71,560,000

26 **NEW SECTION. Sec. 221. FOR THE HOME CARE QUALITY AUTHORITY**

27	General Fund--State Appropriation (FY 2006) . . . . .	\$1,408,000
28	General Fund--State Appropriation (FY 2007) . . . . .	\$1,576,000
29	General Fund--Federal Appropriation . . . . .	\$1,034,000
30	TOTAL APPROPRIATION . . . . .	\$4,018,000

31 **NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF HEALTH**

32	General Fund--State Appropriation (FY 2006) . . . . .	\$63,369,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$63,209,000
34	General Fund--Federal Appropriation . . . . .	\$452,484,000
35	General Fund--Private/Local Appropriation . . . . .	\$99,739,000

1	Hospital Commission Account--State Appropriation . . . . .	\$2,553,000
2	Health Professions Account--State Appropriation . . . . .	\$49,943,000
3	Aquatic Lands Enhancement Account--State	
4	Appropriation . . . . .	\$600,000
5	Emergency Medical Services and Trauma Care Systems	
6	Trust Account--State Appropriation . . . . .	\$12,567,000
7	Safe Drinking Water Account--State Appropriation . . . . .	\$2,838,000
8	Drinking Water Assistance Account--Federal	
9	Appropriation . . . . .	\$15,969,000
10	Waterworks Operator Certification--State Appropriation . . . . .	\$1,083,000
11	Drinking Water Assistance Administrative Account--	
12	State Appropriation . . . . .	\$326,000
13	Water Quality Account--State Appropriation . . . . .	\$3,502,000
14	State Toxics Control Account--State Appropriation . . . . .	\$2,756,000
15	Medical Test Site Licensure Account--State	
16	Appropriation . . . . .	\$1,752,000
17	Youth Tobacco Prevention Account--State Appropriation . . . . .	\$1,806,000
18	Public Health Supplemental Account--Private/Local	
19	Appropriation . . . . .	\$3,306,000
20	Accident Account--State Appropriation . . . . .	\$266,000
21	Medical Aid Account--State Appropriation . . . . .	\$46,000
22	Health Services Account--State Appropriation . . . . .	\$38,083,000
23	Tobacco Prevention and Control Account--State	
24	Appropriation . . . . .	\$52,621,000
25	Patient Safety Account--State Appropriation . . . . .	\$641,000
26	TOTAL APPROPRIATION . . . . .	\$869,459,000

27       The appropriations in this section are subject to the following  
28 conditions and limitations:

29       (1) The department or any successor agency is authorized to raise  
30 existing fees charged for the clandestine drug lab program, the  
31 drinking water program, radioactive materials license fees, X-ray  
32 facility registration fees, shellfish commercial paralytic shellfish  
33 poisoning fees, the water recreation program, the wastewater management  
34 program, newborn specialty clinic fees, and the midwifery program, in  
35 excess of the fiscal growth factor pursuant to RCW 43.135.055, if  
36 necessary, to meet the actual costs of conducting business and the  
37 appropriation levels in this section.

1 (2) \$1,363,000 of the general fund--state fiscal year 2006  
2 appropriation, \$1,363,000 of the general fund--state fiscal year 2007  
3 appropriation, and \$676,000 of the general fund--local appropriation  
4 are provided solely for the implementation of the Puget Sound  
5 conservation and recovery plan and agency action items, DOH-01, DOH-02,  
6 DOH-03, and DOH-04.

7 (3) The department of health shall not initiate any services that  
8 will require expenditure of state general fund moneys unless expressly  
9 authorized in this act or other law. The department may seek, receive,  
10 and spend, under RCW 43.79.260 through 43.79.282, federal moneys not  
11 anticipated in this act as long as the federal funding does not require  
12 expenditure of state moneys for the program in excess of amounts  
13 anticipated in this act. If the department receives unanticipated  
14 unrestricted federal moneys, those moneys shall be spent for services  
15 authorized in this act or in any other legislation that provides  
16 appropriation authority, and an equal amount of appropriated state  
17 moneys shall lapse. Upon the lapsing of any moneys under this  
18 subsection, the office of financial management shall notify the  
19 legislative fiscal committees. As used in this subsection,  
20 "unrestricted federal moneys" includes block grants and other funds  
21 that federal law does not require to be spent on specifically defined  
22 projects or matched on a formula basis by state funds.

23 (4) \$383,000 of the general fund--state appropriation for fiscal  
24 year 2006, \$317,000 of the general fund--state appropriation for fiscal  
25 year 2007, and \$600,000 of the aquatic lands enhancement account  
26 appropriation are provided solely for the implementation of House Bill  
27 No. 1458 (on-site sewage/marine areas). The funds are provided to  
28 assist counties in marine areas complete on-site sewage system  
29 management plans and electronic data bases to inventory on-site sewage  
30 systems. If the bill is not enacted by June 30, 2005, the amounts  
31 provided in this subsection shall lapse.

32 (5) \$60,000 of the health professions account appropriation is  
33 provided solely for implementation of House Bill No. 1316 (prescription  
34 importation). If House Bill No. 1316 is not enacted by June 30, 2005,  
35 the amount provided in this subsection shall lapse.

36 (6) \$474,000 of the health professions account appropriation is  
37 provided solely for implementation of House Bill No. 2266 (precursor

1 drugs). If House Bill No. 2266 is not enacted by June 30, 2005, the  
2 amount provided in this subsection shall lapse.

3 (7) \$125,000 of the health professions account appropriation is  
4 provided solely for implementation of House Bill No. 1850 (volunteer  
5 medical worker). If House Bill No. 1850 is not enacted by June 30,  
6 2005, the amount provided in this subsection shall lapse.

7 (8) \$82,000 of the health professions account appropriation is  
8 provided solely for implementation of House Bill No. 1194 (prescription  
9 drug reimportation). If House Bill No. 1194 is not enacted by June 30,  
10 2005, the amount provided in this subsection shall lapse.

11 (9) \$42,000 of the health professions account appropriation is  
12 provided solely for implementation of House Bill No. 1168 (prescription  
13 reimportation). If House Bill No. 1168 is not enacted by June 30,  
14 2005, the amount provided in this subsection shall lapse.

15 (10) \$90,000 of the general fund--state appropriation for fiscal  
16 year 2006 and \$65,000 of the general fund--state appropriation for  
17 fiscal year 2007 are provided solely for implementation of House Bill  
18 No. 1516 (health services for children). If House Bill No. 1516 is not  
19 enacted by June 30, 2005, the amount provided in this subsection shall  
20 lapse.

21 (11) \$641,000 of the patient safety account appropriation is  
22 provided solely for implementation of House Bill No. 1291 (patient  
23 safety practices). If House Bill No. 1291 is not enacted by June 30,  
24 2005, the amount provided in this subsection shall lapse.

25 (12) \$179,000 of the general fund--state appropriation for fiscal  
26 year 2006 and \$144,000 of the general fund--state appropriation for  
27 fiscal year 2007 are provided solely for implementation of House Bill  
28 No. 1268 (stem cell research). If House Bill No. 1268 is not enacted  
29 by June 30, 2005, the amounts provided in this subsection shall lapse.

30 (13) \$100,000 of the general fund--state appropriation for fiscal  
31 year 2006 and \$200,000 of the general fund--state appropriation for  
32 fiscal year 2007 are provided solely for the department to implement a  
33 multi-year pilot project covering Adams, Chelan, Douglas, Grant and  
34 Franklin counties for persons with household income at or below 200  
35 percent of the federal poverty level who are ineligible for family  
36 planning services through the medicaid program. Individuals who will  
37 be served under the pilot program include women who have never been  
38 pregnant, are not currently pregnant, or are beyond the family planning

1 extension period allowed for first steps program eligibility. It is  
2 anticipated that the pilot program will serve approximately 500 women  
3 annually. The department will provide a preliminary report to the  
4 appropriate committees of the legislature by January 1, 2006, and a  
5 final report by January 1, 2007.

6 (14) \$168,000 of the health services account--state appropriation  
7 for fiscal year 2006 is provided solely for the department to offer  
8 parents and providers a choice between newly available combination  
9 vaccines and corresponding single-antigen equivalents currently  
10 purchased by the department. The department shall offer the choice on  
11 a phased-in basis.

12 (15) \$462,000 of the general fund--private/local appropriation is  
13 provided solely to support specialty clinics that provide treatment  
14 services to children that are identified with one of the five heritable  
15 or metabolic disorders added to the newborn screening panel by the  
16 state board of health in 2003.

17 (16) Within the amounts provided in this section, the department  
18 shall implement Substitute House Bill No. 1282 (healthy youth act).

19 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF CORRECTIONS**

20 (1) ADMINISTRATION AND SUPPORT SERVICES

21	General Fund--State Appropriation (FY 2006) . . . . .	\$51,563,000
22	General Fund--State Appropriation (FY 2007) . . . . .	\$51,191,000
23	General Fund--Federal Appropriation . . . . .	\$1,022,000
24	Violence Reduction and Drug Enforcement Account--	
25	State Appropriation . . . . .	\$26,000
26	Public Safety and Education Account--State	
27	Appropriation . . . . .	\$2,656,000
28	TOTAL APPROPRIATION . . . . .	\$106,458,000

29 The appropriations in this subsection are subject to the following  
30 conditions and limitations:

31 (a) \$11,250,000 of the general fund--state appropriation for fiscal  
32 year 2006 and \$11,250,000 of the general fund--state appropriation for  
33 fiscal year 2007 are provided solely for phase three of the  
34 department's offender-based tracking system replacement project. These  
35 amounts are conditioned on the department satisfying the requirements  
36 of section 902 of this act.

1 (b) \$562,000 of the general fund--state appropriation for fiscal  
2 year 2006 and \$384,000 of the general fund--state appropriation for  
3 fiscal year 2007 are provided solely for the implementation of House  
4 Bill No. 2016 (drug offender confinement). If the bill is not enacted  
5 by June 30, 2005, the amounts provided in this subsection shall lapse.

6 (c) \$26,000 of the general fund--state appropriation for fiscal  
7 year 2006 and \$44,000 of the general fund--state appropriation for  
8 fiscal year 2007 are provided solely for the implementation of  
9 Substitute House Bill No. 1402 (offender travel or transfer). If the  
10 bill is not enacted by June 30, 2005, the amounts provided in this  
11 subsection shall lapse.

12 (2) CORRECTIONAL OPERATIONS

13	General Fund--State Appropriation (FY 2006) . . . . .	\$495,418,000
14	General Fund--State Appropriation (FY 2007) . . . . .	\$492,954,000
15	General Fund--Federal Appropriation . . . . .	\$4,422,000
16	Violence Reduction and Drug Enforcement Account--	
17	State Appropriation . . . . .	\$2,984,000
18	TOTAL APPROPRIATION . . . . .	\$995,778,000

19 The appropriations in this subsection are subject to the following  
20 conditions and limitations:

21 (a) For the acquisition of properties and facilities, the  
22 department of corrections is authorized to enter into financial  
23 contracts, paid for from operating resources, for the purposes  
24 indicated and in not more than the principal amounts indicated, plus  
25 financing expenses and required reserves pursuant to chapter 39.94 RCW.  
26 This authority applies to the following: Lease-develop with the option  
27 to purchase or lease-purchase work release beds in facilities  
28 throughout the state for \$8,561,000.

29 (b) The department may expend funds generated by contractual  
30 agreements entered into for mitigation of severe overcrowding in local  
31 jails. Any funds generated in excess of actual costs shall be  
32 deposited in the state general fund. Expenditures shall not exceed  
33 revenue generated by such agreements and shall be treated as recovery  
34 of costs.

35 (c) The department shall provide funding for the pet partnership  
36 program at the Washington corrections center for women at a level at  
37 least equal to that provided in the 1995-97 biennium.

1 (d) The department shall accomplish personnel reductions with the  
2 least possible impact on correctional custody staff, community custody  
3 staff, and correctional industries. For the purposes of this  
4 subsection, correctional custody staff means employees responsible for  
5 the direct supervision of offenders.

6 (e) During the 2005-07 biennium, when contracts are established or  
7 renewed for offender pay phone and other telephone services provided to  
8 inmates, the department shall select the contractor or contractors  
9 primarily based on the following factors: (i) The lowest rate charged  
10 to both the inmate and the person paying for the telephone call; and  
11 (ii) the lowest commission rates paid to the department, while  
12 providing reasonable compensation to cover the costs of the department  
13 to provide the telephone services to inmates and provide sufficient  
14 revenues for the activities funded from the institutional welfare  
15 betterment account.

16 (f) \$14,000 of the general fund--state appropriation for fiscal  
17 year 2006 and \$27,000 of the general fund--state appropriation for  
18 fiscal year 2007 are provided solely for participation in the health  
19 technology assessment program required in section 214(6) of this act.  
20 The department shall also participate in the joint health purchasing  
21 project described in section 214(7) of this act.

22 (g) \$21,000 of the general fund--state appropriation for fiscal  
23 year 2006 and \$322,000 of the general fund--state appropriation for  
24 fiscal year 2007 are provided solely for the implementation of House  
25 Bill No. 1966 (identity theft). If the bill is not enacted by June 30,  
26 2005, the amounts provided in this subsection shall lapse.

27 (h) The Harborview medical center shall provide inpatient and  
28 outpatient hospital services to offenders confined in department of  
29 corrections facilities at a rate no greater than the average rate that  
30 the department has negotiated with other community hospitals in  
31 Washington state.

32 (3) COMMUNITY SUPERVISION

33	General Fund--State Appropriation (FY 2006)	\$83,766,000
34	General Fund--State Appropriation (FY 2007)	\$83,435,000
35	Public Safety and Education Account--State	
36	Appropriation	\$15,989,000
37	TOTAL APPROPRIATION	\$183,190,000

1 The appropriations in this subsection are subject to the following  
2 conditions and limitations:

3 (a) The department shall accomplish personnel reductions with the  
4 least possible impact on correctional custody staff, community custody  
5 staff, and correctional industries. For the purposes of this  
6 subsection, correctional custody staff means employees responsible for  
7 the direct supervision of offenders.

8 (b) \$268,000 of the general fund--state appropriation for fiscal  
9 year 2006 and \$484,000 of the general fund--state appropriation for  
10 fiscal year 2007 are provided solely for the implementation of  
11 Substitute House Bill No. 1402 (offender travel or transfer). If the  
12 bill is not enacted by June 30, 2005, the amounts provided in this  
13 subsection shall lapse.

14 (c) \$3,048,000 of the general fund--state appropriation for fiscal  
15 year 2006 and \$5,533,000 of the general fund--state appropriation for  
16 fiscal year 2007 are provided solely for the implementation of House  
17 Bill No. 2016 (drug offender confinement). If the bill is not enacted  
18 by June 30, 2005, the amounts provided in this subsection shall lapse.

19 (d) \$122,000 of the general fund--state appropriation for fiscal  
20 year 2006 and \$82,000 of the general fund--state appropriation for  
21 fiscal year 2007 are provided solely for the implementation of House  
22 Bill No. 1136 (electronic monitoring system). If the bill is not  
23 enacted by June 30, 2005, the amounts provided in this subsection shall  
24 lapse.

25 (e) \$16,000 of the general fund--state appropriation for fiscal  
26 year 2006 and \$232,000 of the general fund--state appropriation for  
27 fiscal year 2007 are provided solely for the implementation of House  
28 Bill No. 1966 (identity theft). If the bill is not enacted by June 30,  
29 2005, the amounts provided in this subsection shall lapse.

30 (f) \$75,000 of the general fund--state appropriation for fiscal  
31 year 2006 and \$75,000 of the general fund--state appropriation for  
32 fiscal year 2007 are provided solely for the department of corrections  
33 to contract with the institute for public policy for responsibilities  
34 assigned in chapter 196, Laws of 1999 (offender accountability act) and  
35 sections 7 through 12 of chapter 197, Laws of 1999 (drug offender  
36 sentencing).

37 (4) CORRECTIONAL INDUSTRIES  
38 General Fund--State Appropriation (FY 2006) . . . . . \$831,000

1 General Fund--State Appropriation (FY 2007) . . . . . \$867,000  
2 TOTAL APPROPRIATION . . . . . \$1,698,000

3 The appropriations in this subsection are subject to the following  
4 conditions and limitations: \$110,000 of the general fund--state  
5 appropriation for fiscal year 2006 and \$110,000 of the general fund--  
6 state appropriation for fiscal year 2007 are provided solely for  
7 transfer to the jail industries board. The board shall use the amounts  
8 provided only for administrative expenses, equipment purchases, and  
9 technical assistance associated with advising cities and counties in  
10 developing, promoting, and implementing consistent, safe, and efficient  
11 offender work programs.

12 (5) INTERAGENCY PAYMENTS

13 General Fund--State Appropriation (FY 2006) . . . . . \$33,839,000  
14 General Fund--State Appropriation (FY 2007) . . . . . \$33,838,000  
15 TOTAL APPROPRIATION . . . . . \$67,677,000

16 NEW SECTION. **Sec. 224. FOR THE DEPARTMENT OF SERVICES FOR THE**  
17 **BLIND**

18 General Fund--State Appropriation (FY 2006) . . . . . \$1,872,000  
19 General Fund--State Appropriation (FY 2007) . . . . . \$1,898,000  
20 General Fund--Federal Appropriation . . . . . \$15,076,000  
21 General Fund--Private/Local Appropriation . . . . . \$80,000  
22 TOTAL APPROPRIATION . . . . . \$18,926,000

23 NEW SECTION. **Sec. 225. FOR THE SENTENCING GUIDELINES COMMISSION**

24 General Fund--State Appropriation (FY 2006) . . . . . \$846,000  
25 General Fund--State Appropriation (FY 2007) . . . . . \$835,000  
26 TOTAL APPROPRIATION . . . . . \$1,681,000

27 NEW SECTION. **Sec. 226. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

28 General Fund--State Appropriation (FY 2006) . . . . . \$60,000  
29 General Fund--State Appropriation (FY 2007) . . . . . \$60,000  
30 General Fund--Federal Appropriation . . . . . \$257,246,000  
31 General Fund--Private/Local Appropriation . . . . . \$30,964,000  
32 Unemployment Compensation Administration Account--  
33 Federal Appropriation . . . . . \$189,223,000  
34 Administrative Contingency Account--State  
35 Appropriation . . . . . \$14,629,000

1	Employment Service Administrative Account--State	
2	Appropriation . . . . .	\$23,830,000
3	TOTAL APPROPRIATION . . . . .	\$516,012,000

4       The appropriations in this subsection are subject to the following  
5 conditions and limitations:

6       (1) \$2,087,000 of the unemployment compensation administration  
7 account--federal appropriation is provided from amounts made available  
8 to the state by section 903(d) of the Social Security Act (Reed Act).  
9 This amount is provided to replace obsolete information technology  
10 infrastructure.

11       (2) \$12,735,000 of the unemployment compensation administration  
12 account--federal appropriation is provided from amounts made available  
13 to the state by section 903(d) of the Social Security Act (Reed Act).  
14 This amount is authorized for state choice administrative functions.  
15 The department shall submit recommendations by September 1, 2007, to  
16 the office of financial management and the legislative fiscal  
17 committees for options reducing the costs of the state choice  
18 administrative functions for the 2007-2009 biennium. If these options  
19 require any statutory changes, the department shall submit agency  
20 request legislation to the appropriate legislative policy committees  
21 and fiscal committees by December 15, 2007.

22       (3) \$2,300,000 of the unemployment compensation administration  
23 account--federal appropriation is provided from amounts made available  
24 to the state by section 903(d) of the Social Security Act (Reed Act).  
25 This amount is authorized to continue implementation of chapter 4, Laws  
26 of 2003 2nd sp. sess. and for implementation costs relating to  
27 Engrossed House Bill No. 2255 (unemployment insurance).

(End of part)

PART III  
NATURAL RESOURCES

NEW SECTION.    **Sec. 301.    FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2006)	\$466,000
General Fund--State Appropriation (FY 2007)	\$469,000
General Fund--Private/Local Appropriation	\$845,000
TOTAL APPROPRIATION	\$1,780,000

NEW SECTION.    **Sec. 302.    FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2006)	\$40,136,000
General Fund--State Appropriation (FY 2007)	\$38,922,000
General Fund--Federal Appropriation	\$72,286,000
General Fund--Private/Local Appropriation	\$13,225,000
Special Grass Seed Burning Research	
Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	\$2,531,000
Flood Control Assistance Account--State	
Appropriation	\$2,042,000
State Emergency Water Projects Revolving	
Account--State Appropriation	\$2,531,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	\$14,789,000
State Drought Preparedness Account--State	
Appropriation	\$157,000
State and Local Improvements Revolving	
Account (Water Supply Facilities)--State	
Appropriation	\$342,000
Vessel Response Account--State Appropriation	\$2,876,000
Site Closure Account--State Appropriation	\$725,000
Water Quality Account--State Appropriation	\$27,530,000
Wood Stove Education and Enforcement	
Account--State Appropriation	\$357,000
Worker and Community Right-to-Know	
Account--State Appropriation	\$2,053,000
State Toxics Control Account--State Appropriation	\$80,298,000

1	State Toxics Control Account--Private/Local	
2	Appropriation . . . . .	\$363,000
3	Local Toxics Control Account--State Appropriation . . . . .	\$5,089,000
4	Water Quality Permit Account--State Appropriation . . . . .	\$30,783,000
5	Underground Storage Tank Account--State Appropriation . . . . .	\$2,794,000
6	Environmental Excellence Account--State Appropriation . . . . .	\$504,000
7	Biosolids Permit Account--State Appropriation . . . . .	\$815,000
8	Hazardous Waste Assistance Account--State	
9	Appropriation . . . . .	\$4,963,000
10	Air Pollution Control Account--State Appropriation . . . . .	\$11,103,000
11	Oil Spill Prevention Account--State Appropriation . . . . .	\$9,885,000
12	Air Operating Permit Account--State Appropriation . . . . .	\$2,507,000
13	Freshwater Aquatic Weeds Account--State	
14	Appropriation . . . . .	\$2,519,000
15	Oil Spill Response Account--State Appropriation . . . . .	\$7,078,000
16	Metals Mining Account--State Appropriation . . . . .	\$14,000
17	Water Pollution Control Revolving Account--State	
18	Appropriation . . . . .	\$393,000
19	Water Pollution Control Revolving Account--Federal	
20	Appropriation . . . . .	\$1,913,000
21	Commercial Passenger Vessel Enforcement Account--State	
22	Appropriation . . . . .	\$124,000
23	TOTAL APPROPRIATION . . . . .	\$381,661,000

24 The appropriations in this section are subject to the following  
25 conditions and limitations:

26 (1) \$2,526,196 of the general fund--state appropriation for fiscal  
27 year 2006, \$2,526,195 of the general fund--state appropriation for  
28 fiscal year 2007, \$366,000 of the general fund--federal appropriation,  
29 \$2,581,000 of the state toxics account--state appropriation, \$540,806  
30 of the water quality account--state appropriation, \$3,748,220 of the  
31 water quality permit account--state appropriation, and \$705,000 of the  
32 oil spill prevention account are provided solely for the implementation  
33 of the Puget Sound conservation and recovery plan and agency action  
34 items DOE-01, DOE-02, DOE-04, DOE-06, DOE-07, DOE-08, and DOE-09.

35 (2) \$375,000 of the general fund--state appropriation for fiscal  
36 year 2006 and \$375,000 of the general fund--state appropriation for  
37 fiscal year 2007 are provided solely to negotiate agreements to secure  
38 water as part of the Columbia river initiative program. Of this

1 amount, \$210,000 is provided to the department of fish and wildlife to  
2 determine impacts on fish from changes in water storage at Lake  
3 Roosevelt.

4 (3) \$661,000 of the reclamation account--state appropriation is  
5 provided solely to implement House Bill No. 1939 (well construction).  
6 If the bill is enacted by June 30, 2005, \$150,000 from the general  
7 fund--state appropriation for fiscal year 2006 and \$150,000 from the  
8 general fund--state appropriation for fiscal year 2007 provided in this  
9 section shall lapse. If the bill is not enacted by June 30, 2005, the  
10 amount provided in this subsection shall lapse.

11 (4) \$852,000 of the state toxics control account--state  
12 appropriation is provided solely to complete the polybrominated  
13 diphenyl ether (PBDE) chemical action plan and to reduce persistent  
14 bioaccumulative toxics from the environment. Upon completion of the  
15 PBDE chemical action plan, the department may request funding to  
16 implement the plan. From within these funds, the department shall  
17 determine expenditures related to persistent bioaccumulative toxins  
18 (PBTs) by fund source and fiscal year over the past six fiscal years  
19 and report these findings to the appropriate fiscal committees of the  
20 legislature. The report shall also estimate the need for future  
21 funding related to PBTs and recommend possible reductions in lower  
22 priority agency programs sufficient to pay for the needed funding for  
23 PBTs.

24 (5) \$200,000 of the water quality account--state appropriation is  
25 provided solely for the department to contract with the state  
26 conservation commission to provide statewide coordination and support  
27 for coordinated resource management.

28 (6) \$156,000 of the general fund--state appropriation for fiscal  
29 year 2006 and \$144,000 of the general fund--state appropriation for  
30 fiscal year 2007 are provided solely to expand the department's pilot  
31 program for processing 401 water quality certification projects to a  
32 statewide process and timeline to meet improved permit processing  
33 accountability and timelines, which will result in 90 percent of  
34 routine certifications occurring within 90 days of application, and  
35 acknowledgement of receipt of the application being sent within 10  
36 days.

37 (7) \$250,000 of the state toxics control account--state  
38 appropriation is provided solely to implement Engrossed Second

1 Substitute House Bill No. 1605 (soil contamination). If the bill is  
2 not enacted by June 30, 2005, the amount in this subsection shall  
3 lapse.

4 (8) \$147,000 of the general fund--state appropriation for fiscal  
5 year 2006 and \$146,000 of the general fund--state appropriation for  
6 fiscal year 2007 are provided solely to implement Engrossed Second  
7 Substitute House Bill No. 1415 (commercial passenger vessels). If the  
8 bill is not enacted by June 30, 2005, the amounts in this subsection  
9 shall lapse.

10 (9) As described in section 129(10) of this act, the department  
11 shall make recommendations and report on monitoring activities related  
12 to salmon recovery.

13 (10) \$4,054,000 of the state toxics control account appropriation  
14 is provided solely for methamphetamine lab clean-up activities.

15 (11) \$170,000 of the oil spill prevention account appropriation is  
16 provided solely for implementation of the Puget Sound conservation and  
17 recovery plan action item UW-02 through a contract with the University  
18 of Washington's sea grant program to continue an educational program  
19 targeted to small spills from commercial fishing vessels, ferries,  
20 cruise ships, ports, and marinas.

21 (12) \$2,500,000 of the general fund--state appropriation for fiscal  
22 year 2006 and \$2,000,000 of the general fund--state appropriation for  
23 fiscal year 2007 are provided solely for shoreline grants to local  
24 governments to implement Substitute Senate Bill No. 6012 (shoreline  
25 management), chapter 262, Laws of 2003.

26 (13) Fees approved by the department of ecology in the 2005-07  
27 biennium are authorized to exceed the fiscal growth factor under RCW  
28 43.135.055.

29 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**  
30 **COMMISSION**

31	General Fund--State Appropriation (FY 2006) . . . . .	\$32,315,000
32	General Fund--State Appropriation (FY 2007) . . . . .	\$31,239,000
33	General Fund--Federal Appropriation . . . . .	\$2,697,000
34	General Fund--Private/Local Appropriation . . . . .	\$66,000
35	Winter Recreation Program Account--State	
36	Appropriation . . . . .	\$1,092,000
37	Off Road Vehicle Account--State Appropriation . . . . .	\$189,000

1	Snowmobile Account--State Appropriation . . . . .	\$4,797,000
2	Aquatic Lands Enhancement Account--State	
3	Appropriation . . . . .	\$340,000
4	Public Safety and Education Account--State	
5	Appropriation . . . . .	\$47,000
6	Parks Renewal and Stewardship Account--State	
7	Appropriation . . . . .	\$37,911,000
8	Parks Renewal and Stewardship Account--Private/Local	
9	Appropriation . . . . .	\$300,000
10	TOTAL APPROPRIATION . . . . .	\$110,993,000

11       The appropriations in this section are subject to the following  
12 conditions and limitations:

13       (1) Fees approved by the state parks and recreation commission in  
14 the 2005-07 biennium are authorized to exceed the fiscal growth factor  
15 under RCW 43.135.055.

16       (2) \$79,000 of the general fund--state appropriation for fiscal  
17 year 2006 and \$79,000 of the general fund--state appropriation for  
18 fiscal year 2007 are provided solely for a grant for the operation of  
19 the Northwest avalanche center.

20       (3) \$191,000 of the aquatic lands enhancement account appropriation  
21 is provided solely for the implementation of the Puget Sound  
22 conservation and recovery plan and agency action item PRC-02.

23       (4) \$185,000 of the parks renewal and stewardship account--state  
24 appropriation is provided solely to develop a plan for public education  
25 and interpretation at selected state park sites along the route of the  
26 ice age floods from Spokane to the Pacific Ocean.

27       NEW SECTION.   **Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR**  
28 **RECREATION**

29	General Fund--State Appropriation (FY 2006) . . . . .	\$1,400,000
30	General Fund--State Appropriation (FY 2007) . . . . .	\$1,410,000
31	General Fund--Federal Appropriation . . . . .	\$18,341,000
32	General Fund--Private/Local Appropriation . . . . .	\$250,000
33	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$254,000
34	Water Quality Account--State Appropriation . . . . .	\$200,000
35	Firearms Range Account--State Appropriation . . . . .	\$24,000
36	Recreation Resources Account--State Appropriation . . . . .	\$3,006,000
37	NOVA Program Account--State Appropriation . . . . .	\$809,000

1 TOTAL APPROPRIATION . . . . . \$25,694,000

2 The appropriations in this section are subject to the following  
3 conditions and limitations:

4 (1) \$16,025,000 of the general fund--federal appropriation is  
5 provided solely for implementation of the forest and fish agreement  
6 rules. These funds will be passed through to the department of natural  
7 resources and the department of fish and wildlife.

8 (2) As described in section 129(10) of this act, the department  
9 shall make recommendations and report on monitoring activities related  
10 to salmon recovery.

11 (3) \$125,000 of the general fund--state appropriation for fiscal  
12 year 2006 and \$125,000 of the general fund--state appropriation for  
13 fiscal year 2007 are provided solely for the biodiversity strategy.

14 (4) \$20,000 of the general fund--state appropriation for fiscal  
15 year 2006 and \$20,000 of the general fund--state appropriation for  
16 fiscal year 2007 are provided solely for coordination of federal,  
17 state, tribal, local, and private aquatic monitoring efforts. The  
18 department shall provide a memorandum to the office of financial  
19 management and legislative fiscal committees in January of every year  
20 which specifies performance measures to reduce redundancy, increase  
21 efficiency, and help meet the goals and objectives of the various  
22 entities involved in monitoring and if these performance measures were  
23 met.

24 **NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE**

25	General Fund--State Appropriation (FY 2006) . . . . .	\$1,060,000
26	General Fund--State Appropriation (FY 2007) . . . . .	\$1,053,000
27	TOTAL APPROPRIATION . . . . .	\$2,113,000

28 **NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION**

29	General Fund--State Appropriation (FY 2006) . . . . .	\$2,229,000
30	General Fund--State Appropriation (FY 2007) . . . . .	\$2,237,000
31	Water Quality Account--State Appropriation . . . . .	\$4,149,000
32	TOTAL APPROPRIATION . . . . .	\$8,615,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations:

35 (1) \$197,000 of the general fund--state appropriation for fiscal  
36 year 2006 and \$197,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for the implementation of the  
2 Puget Sound conservation and recovery plan and agency action item CC-  
3 01.

4 (2) As described in section 128(3) of this act, the department  
5 shall make recommendations and report on monitoring activities related  
6 to salmon recovery.

7 (3) \$100,000 of the general fund--state appropriation for fiscal  
8 year 2006 and \$100,000 of the general fund--state appropriation for  
9 fiscal year 2007 are provided solely to implement Substitute House Bill  
10 No. 1462 (funding conservation districts). If the bill is not enacted  
11 by June 30, 2005, the amounts provided in this section shall lapse.

12 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

13	General Fund--State Appropriation (FY 2006) . . . . .	\$43,756,000
14	General Fund--State Appropriation (FY 2007) . . . . .	\$42,622,000
15	General Fund--Federal Appropriation . . . . .	\$41,449,000
16	General Fund--Private/Local Appropriation . . . . .	\$35,329,000
17	Off Road Vehicle Account--State Appropriation . . . . .	\$387,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation . . . . .	\$5,710,000
20	Public Safety and Education Account--State	
21	Appropriation . . . . .	\$566,000
22	Recreational Fisheries Enhancement--State	
23	Appropriation . . . . .	\$3,481,000
24	Warm Water Game Fish Account--State Appropriation . . . . .	\$2,839,000
25	Eastern Washington Pheasant Enhancement	
26	Account--State Appropriation . . . . .	\$750,000
27	Wildlife Account--State Appropriation . . . . .	\$57,346,000
28	Wildlife Account--Federal Appropriation . . . . .	\$30,250,000
29	Wildlife Account--Private/Local Appropriation . . . . .	\$10,296,000
30	Game Special Wildlife Account--State Appropriation . . . . .	\$2,119,000
31	Game Special Wildlife Account--Federal Appropriation . . . . .	\$8,799,000
32	Game Special Wildlife Account--Private/Local	
33	Appropriation . . . . .	\$458,000
34	Environmental Excellence Account--State Appropriation . . . . .	\$15,000
35	Regional Fisheries Salmonid Recovery	
36	Account--Federal Appropriation . . . . .	\$1,754,000
37	Oil Spill Prevention Account--State Appropriation . . . . .	\$1,010,000

1 Recreation Resources Account--State Appropriation . . . . . \$36,000  
2 Oyster Reserve Land Account--State Appropriation . . . . . \$411,000  
3 TOTAL APPROPRIATION . . . . . \$289,383,000

4 The appropriations in this section are subject to the following  
5 conditions and limitations:

6 (1) \$1,556,714 of the general fund--state appropriation for fiscal  
7 year 2006 and \$1,556,713 of the general fund--state appropriation for  
8 fiscal year 2007 are provided solely for the implementation of the  
9 Puget Sound conservation and recovery plan and agency action items DFW-  
10 01 through DFW-06, DFW-08 through DFW-12, and DFW-16.

11 (2) As described in section 129(10) of this act, the department  
12 shall make recommendations and report on monitoring activities related  
13 to salmon recovery.

14 (3) \$225,000 of the general fund--state appropriation for fiscal  
15 year 2006, \$225,000 of the general fund--state appropriation for fiscal  
16 year 2007, and \$550,000 of the wildlife account--state appropriation  
17 are provided solely for the implementation of hatchery reform  
18 recommendations defined by the hatchery scientific review group.

19 (4) The department shall support the activities of the aquatic  
20 nuisance species coordination committee to foster state, federal,  
21 tribal, and private cooperation on aquatic nuisance species issues.  
22 The committee shall strive to prevent the introduction of nonnative  
23 aquatic species and to minimize the spread of species that are  
24 introduced.

25 (5) Within funds provided, the department shall make available  
26 enforcement and biological staff to respond and take appropriate action  
27 to ensure public safety in response to public complaints regarding bear  
28 and cougar.

29 (6) The department shall emphasize enforcement of laws related to  
30 protection of fish habitat and the illegal harvest of salmon and  
31 steelhead. Within the amount provided for the agency, the department  
32 shall provide support to the department of health to enforce state  
33 shellfish harvest laws.

34 (7) \$180,000 of the wildlife account--state appropriation is  
35 provided solely to test deer and elk for chronic wasting disease and to  
36 document the extent of swan lead poisoning. Of this amount, \$65,000 is  
37 provided solely to document the extent of swan lead poisoning and to  
38 begin environmental cleanup.

1 (8) The department shall provide quarterly status reports to the  
2 office of financial management regarding the replacement of the  
3 Washington interactive licensing system and the implementation of the  
4 hydraulic permit management system.

5 (9) Prior to the department entering into any agreement relating to  
6 the disposal, sale, lease, or transfer of property identified within  
7 the 2003 legislatively authorized report "Thurston county property  
8 functions, operations & valuations analysis," the department shall  
9 notify the director of financial management and the chairs of the  
10 senate committee on ways and means, the house of representatives  
11 committee on appropriations, and the house of representatives capital  
12 budget committee.

13 (10) The department shall prepare a report detailing the hydraulic  
14 permit approval program applications and project types. The department  
15 shall coordinate with the office of financial management in determining  
16 the contents of the report. At minimum, the report shall include  
17 permits by applicant (name, state, local, federal, tribal entity,  
18 etc.), project type (pamphlet, minor, medium, major, extension,  
19 revision, etc.) and project location (county and water resource  
20 inventory area). The department shall submit the report to the office  
21 of financial management and legislative fiscal committees no later than  
22 September 1, 2006.

23 (11) \$400,000 of the wildlife account--state appropriation is  
24 provided solely for information technology and software licenses, which  
25 must be compatible with statewide systems and software.

26 (12) \$50,000 of the wildlife account--state appropriation is  
27 provided solely for reimbursements for damage to commercial livestock  
28 caused by cougars.

29 (13) \$10,000 of the general fund--state appropriation for fiscal  
30 year 2006 and \$10,000 of the general fund--state appropriation for  
31 fiscal year 2007 are provided solely for chum salmon production at  
32 Minter creek hatchery.

33 (14) \$45,000 of the general fund--federal appropriation for fiscal  
34 year 2006 and \$45,000 of the general fund--federal appropriation for  
35 fiscal year 2007 are provided solely for the management of Canada goose  
36 seasons to increase the number of hunting days in southwest Washington.

37 (15) \$46,000 of the wildlife account--state appropriation is  
38 provided solely to increase the number of courses providing the hunter

1 education training program created in RCW 77.32.155. The department  
2 shall reduce the current backlog of applicants waiting to take the  
3 training program and provide for a stable supply of training program  
4 courses in order to avoid future backlogs.

5 (16) \$398,000 of the fish and wildlife reward account--state  
6 appropriation is provided solely to implement Engrossed Substitute  
7 House Bill No. 1696 (fish and wildlife violations). If the bill is not  
8 enacted by June 30, 2005, the amount provided in this section shall  
9 lapse.

10 (17) \$78,000 of the state wildlife account--state appropriation is  
11 provided solely to implement House Bill No. 1211 (multiple season big  
12 game permit). If the bill is not enacted by June 30, 2005, the amount  
13 provided in this section shall lapse.

14 **NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

15	General Fund--State Appropriation (FY 2006) . . . . .	\$47,529,000
16	General Fund--State Appropriation (FY 2007) . . . . .	\$40,953,000
17	General Fund--Federal Appropriation . . . . .	\$15,073,000
18	General Fund--Private/Local Appropriation . . . . .	\$1,257,000
19	Forest Development Account--State Appropriation . . . . .	\$52,909,000
20	Off Road Vehicle Account--State Appropriation . . . . .	\$3,796,000
21	Surveys and Maps Account--State Appropriation . . . . .	\$2,301,000
22	Aquatic Lands Enhancement Account--State	
23	Appropriation . . . . .	\$8,234,000
24	Resources Management Cost Account--State	
25	Appropriation . . . . .	\$73,088,000
26	Surface Mining Reclamation Account--State	
27	Appropriation . . . . .	\$1,791,000
28	Disaster Response Account--State	
29	Appropriation . . . . .	\$5,000,000
30	Water Quality Account--State Appropriation . . . . .	\$2,554,000
31	Aquatic Land Dredged Material Disposal Site	
32	Account--State Appropriation . . . . .	\$647,000
33	Natural Resources Conservation Areas Stewardship	
34	Account--State Appropriation . . . . .	\$34,000
35	State Toxics Control Account--State Appropriation . . . . .	\$2,155,000
36	Air Pollution Control Account--State Appropriation . . . . .	\$540,000
37	Nonhighway and Off Road Vehicle Program	

1	Account--State Appropriation . . . . .	\$852,000
2	Derelict Vessel Removal Account--State Appropriation . . .	\$1,132,000
3	Agricultural College Trust Management	
4	Account--State Appropriation . . . . .	\$1,903,000
5	TOTAL APPROPRIATION . . . . .	\$261,748,000

6 The appropriations in this section are subject to the following  
7 conditions and limitations:

8 (1) \$18,000 of the general fund--state appropriation for fiscal  
9 year 2006, \$18,000 of the general fund--state appropriation for fiscal  
10 year 2007, and \$1,652,050 of the aquatic lands enhancement account  
11 appropriation are provided solely for the implementation of the Puget  
12 Sound conservation and recovery plan and agency action items DNR-01 and  
13 DNR-02.

14 (2) As described in section 129(10) of this act, the department  
15 shall make recommendations and report on monitoring activities related  
16 to salmon recovery.

17 (3) \$953,000 of the general fund--state appropriation for fiscal  
18 year 2006 and \$950,000 of the general fund--state appropriation for  
19 fiscal year 2007 are provided solely for deposit into the agricultural  
20 college trust management account and are provided solely to manage  
21 approximately 70,700 acres of Washington State University's  
22 agricultural college trust lands.

23 (4) \$2,277,000 of the general fund--state appropriation for fiscal  
24 year 2006, \$5,277,000 of the general fund--state appropriation for  
25 fiscal year 2007, and \$5,000,000 of the disaster response account--  
26 state appropriation are provided solely for emergency fire suppression.  
27 Of these amounts, up to \$250,000 may be expended for staff and other  
28 necessary resources to design and implement a fire data-collection  
29 system that includes financial- and performance-management information  
30 for fires over 10 acres in size.

31 None of the general fund and disaster response account amounts  
32 provided in this subsection may be used to fund agency indirect and  
33 administrative expenses. Agency indirect and administrative costs  
34 shall be allocated among the agency's remaining accounts and  
35 appropriations.

36 (5) \$138,000 of the resource management cost account--state  
37 appropriation is provided solely to implement Engrossed Second

1 Substitute House Bill No. 1896 (geoduck harvest). If the bill is not  
2 enacted by June 30, 2005, the amount in the subsection shall lapse.

3 (6) \$582,000 of the aquatic lands enhancement account appropriation  
4 is provided solely for spartina control.

5 (7) Fees approved by the board of natural resources in the 2005-07  
6 biennium are authorized to exceed the fiscal growth factor under RCW  
7 43.135.055.

8 (8) \$9,000,000 of the general fund--state appropriation for fiscal  
9 year 2006 and \$2,000,000 of the aquatic lands enhancement account--  
10 state appropriation are provided solely for the purposes of settling  
11 all claims in *U.S., et al. v. State of Washington, et al.*  
12 Subproceeding No. 89-3 (Shellfish), United States District Court for  
13 the Western District of Washington at Seattle, Case No. C70-9213. The  
14 expenditure of this appropriation is contingent on the release of all  
15 claims in this subproceeding. In the event that the federal government  
16 does not appropriate \$22,000,000 for this purpose by June 30, 2006,  
17 this subsection shall lapse.

18 (9) \$852,000 of the nonhighway and off-road vehicle program  
19 account--state appropriation is provided solely for making safety  
20 improvements for off-road vehicle recreation on state lands. The  
21 department shall develop an implementation plan for off-road  
22 vehicle-related signage on state trust lands. The department shall  
23 submit this plan by October 1, 2005, to the office of financial  
24 management and appropriate committees of the legislature, and report  
25 progress on plan implementation to these same entities by March 1,  
26 2006, and September 1, 2006.

27 (10) \$2,155,000 of the state toxics account--state appropriation is  
28 provided solely for the department to meet its obligations with the  
29 U.S. environmental protection agency for the clean-up of Commencement  
30 Bay and other sites.

31 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

32	General Fund--State Appropriation (FY 2006) . . . . .	\$11,923,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$11,124,000
34	General Fund--Federal Appropriation . . . . .	\$10,280,000
35	General Fund--Private/Local Appropriation . . . . .	\$410,000
36	Aquatic Lands Enhancement Account--State	
37	Appropriation . . . . .	\$1,968,000

1	Water Quality Account--State Appropriation . . . . .	\$949,000
2	State Toxics Control Account--State Appropriation . . . . .	\$3,367,000
3	Water Quality Permit Account--State Appropriation . . . . .	\$238,000
4	TOTAL APPROPRIATION . . . . .	\$40,259,000

5 The appropriations in this section are subject to the following  
6 conditions and limitations:

7 (1) \$37,000 of the general fund--state appropriation for fiscal  
8 year 2006 and \$37,000 of the general fund--state appropriation for  
9 fiscal year 2007 are provided solely for implementation of the Puget  
10 Sound conservation and recovery plan and agency action item WSDA-01.

11 (2) Fees and assessments approved by the department in the 2005-07  
12 biennium are authorized to exceed the fiscal growth factor under RCW  
13 43.135.055.

14 (3) \$750,000 of the general fund--state appropriation for fiscal  
15 year 2006 and \$750,000 of the general fund--state appropriation for  
16 fiscal year 2007 are provided solely to research and develop new hop  
17 harvesting technologies and for associated pilot projects.

18 (4) \$12,000 of the general fund--state appropriation for fiscal  
19 year 2006 and \$13,000 of the general fund--state appropriation for  
20 fiscal year 2007 are provided solely for indemnity payments for poultry  
21 that are ordered by the department to be slaughtered or destroyed.

22 (5) \$500,000 of the general fund--state appropriation for fiscal  
23 year 2006 and \$500,000 of the general fund--state appropriation for  
24 fiscal year 2007 are provided solely for market promotion and trade  
25 barrier grants.

26 (6) \$75,000 of the general fund--state appropriation for fiscal  
27 year 2006 and \$75,000 of the general fund--state appropriation for  
28 fiscal year 2007 are provided solely for the small farm and direct  
29 marketing program.

30 (7) \$466,000 of the general fund--state appropriation for fiscal  
31 year 2006 is provided solely to complete a database application that  
32 would consolidate program information and enable the department to more  
33 effectively respond to a food safety or animal disease emergency.

34 (8) \$100,000 of the general fund--state appropriation for fiscal  
35 year 2006 is provided solely for a study of the economic impact of  
36 agriculture and fairs in Washington.

37 (9) Within funds appropriated in this section, the department, in

1 addition to the authority provided in RCW 17.26.007, may enter into  
2 agreements with federal agencies to eradicate spartina from private  
3 lands that may provide a source of reinfestation to public lands.

4 (10) \$200,000 of the general fund--state appropriation for fiscal  
5 year 2006 and \$200,000 of the general fund--state appropriation for  
6 fiscal year 2007 are provided solely to implement the Washington wine  
7 brand campaign.

8 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**  
9 **REINSURANCE PROGRAM**

10 Pollution Liability Insurance Program Trust  
11 Account--State Appropriation . . . . . \$849,000

(End of part)

PART IV  
TRANSPORTATION

NEW SECTION.    **Sec. 401.    FOR THE DEPARTMENT OF LICENSING**

4	General Fund--State Appropriation (FY 2006) . . . . .	\$1,784,000
5	General Fund--State Appropriation (FY 2007) . . . . .	\$1,532,000
6	Architects' License Account--State Appropriation . . . . .	\$717,000
7	Cemetery Account--State Appropriation . . . . .	\$220,000
8	Professional Engineers' Account--State Appropriation . . . . .	\$3,082,000
9	Real Estate Commission Account--State Appropriation . . . . .	\$7,362,000
10	Master License Account--State Appropriation . . . . .	\$11,343,000
11	Uniform Commercial Code Account--State Appropriation . . . . .	\$2,851,000
12	Real Estate Education Account--State Appropriation . . . . .	\$275,000
13	Real Estate Appraiser Commission	
14	Account--State Appropriation . . . . .	\$1,146,000
15	Business and Professions Account--State Appropriation . . . . .	\$7,927,000
16	Real Estate Research Account--State Appropriation . . . . .	\$301,000
17	Funeral Directors and Embalmers	
18	Account--State Appropriation . . . . .	\$523,000
19	Geologists' Account--State Appropriation . . . . .	\$34,000
20	Data Processing Revolving Account--State Appropriation . . . . .	\$29,000
21	Derelict Vessel Removal Account--State Appropriation . . . . .	\$31,000
22	TOTAL APPROPRIATION . . . . .	\$39,157,000

(1) The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2005-07 fiscal biennium. Pursuant to RCW 43.135.055, during the 2005-07 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

1 (2) \$3,759,000 of the business and professions account--state  
 2 appropriation for fiscal year 2006 and \$3,296,000 of the business and  
 3 professions account--state appropriation for fiscal year 2007 are  
 4 contingent on enactment of Substitute House Bill No. 1394 (business and  
 5 professions account). If the bill is not enacted by June 30, 2005,  
 6 these appropriations shall be made from the general fund.

7 (3) \$834,000 of the master license account--state appropriation for  
 8 fiscal year 2006 and \$819,000 of the master license account--state  
 9 appropriation for fiscal year 2007 are subject to enactment of House  
 10 Bill No. 2131 (master licensing service). If the bill is not enacted  
 11 by June 30, 2005, the appropriations out of this account shall be made  
 12 from the general fund.

13 (4) \$34,000 of the general fund--state appropriation for fiscal  
 14 year 2006 are subject to enactment of House Bill No. 1241 (vehicle  
 15 licensing and registration). If the bill is not enacted by June 30,  
 16 2005, the amount provided in this subsection shall lapse.

17 **NEW SECTION. Sec. 402. FOR THE STATE PATROL**

18	General Fund--State Appropriation (FY 2006) . . . . .	\$35,336,000
19	General Fund--State Appropriation (FY 2007) . . . . .	\$29,668,000
20	General Fund--Federal Appropriation . . . . .	\$4,269,000
21	General Fund--Private/Local Appropriation . . . . .	\$582,000
22	Death Investigations Account--State Appropriation . . . . .	\$5,439,000
23	Public Safety and Education Account--State	
24	Appropriation . . . . .	\$4,283,000
25	Enhanced 911 Account--State Appropriation . . . . .	\$572,000
26	County Criminal Justice Assistance	
27	Account--State Appropriation . . . . .	\$2,790,000
28	Municipal Criminal Justice Assistance	
29	Account--State Appropriation . . . . .	\$1,123,000
30	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
31	Fire Service Training Account--State Appropriation . . . . .	\$7,476,000
32	State Toxics Control Account--State Appropriation . . . . .	\$450,000
33	Violence Reduction and Drug Enforcement	
34	Account--State Appropriation . . . . .	\$300,000
35	Fingerprint Identification	
36	Account--State Appropriation . . . . .	\$6,120,000

1	DNA Data Base Account--State Appropriation . . . . .	\$150,000
2	TOTAL APPROPRIATION . . . . .	\$98,689,000

(End of part)

PART V  
EDUCATION

NEW SECTION.    **Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2006) . . . . .	\$12,708,000
General Fund--State Appropriation (FY 2007) . . . . .	\$12,395,000
General Fund--Federal Appropriation . . . . .	\$29,784,000
TOTAL APPROPRIATION . . . . .	\$54,887,000

The appropriations in this section are subject to the following conditions and limitations:

(a) \$10,621,000 of the general fund--state appropriation for fiscal year 2006 and \$10,513,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) \$428,000 of the general fund--state appropriation for fiscal year 2006 and \$428,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) \$509,000 of the general fund--state appropriation for fiscal year 2006 and \$504,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the Washington professional educator standards board. Within the

1 amounts provided in this subsection, the Washington professional  
2 educator standards board shall pursue the implementation of recent  
3 study recommendations including: (i) Revision of teacher mathematics  
4 endorsement competencies and alignment of teacher tests to the updated  
5 competencies, and (ii) development of mathematics specialist  
6 endorsement.

7 (d) \$200,000 of the general fund--state appropriation for fiscal  
8 year 2006 is provided solely for increased attorney general fees  
9 related to *School Districts' Alliance for Adequate Funding of Special*  
10 *Education et al. v. State of Washington et al.*, Thurston County  
11 Superior Court Cause No. 04-2-02000-7.

12 (e) \$950,000 of the general fund--state appropriation for fiscal  
13 year 2006 and \$950,000 of the general fund--state appropriation for  
14 fiscal year 2007 are provided solely for replacement of the  
15 apportionment system, which includes the processes that collect school  
16 district budget and expenditure information, staffing characteristics,  
17 and the student enrollments that drive the funding process.

18 (2) STATEWIDE PROGRAMS

19	General Fund--State Appropriation (FY 2006) . . . . .	\$10,283,000
20	General Fund--State Appropriation (FY 2007) . . . . .	\$10,295,000
21	General Fund--Federal Appropriation . . . . .	\$47,465,000
22	TOTAL APPROPRIATION . . . . .	\$68,043,000

23 The appropriations in this subsection are provided solely for the  
24 statewide programs specified in this subsection and are subject to the  
25 following conditions and limitations:

26 (a) HEALTH AND SAFETY

27 (i) A maximum of \$2,541,000 of the general fund--state  
28 appropriation for fiscal year 2006 and a maximum of \$2,541,000 of the  
29 general fund--state appropriation for fiscal year 2007 are provided for  
30 a corps of nurses located at educational service districts, as  
31 determined by the superintendent of public instruction, to be  
32 dispatched to the most needy schools to provide direct care to  
33 students, health education, and training for school staff.

34 (ii) A maximum of \$96,000 of the general fund--state appropriation  
35 for fiscal year 2006 and a maximum of \$96,000 of the general fund--  
36 state appropriation for fiscal year 2007 are provided for the school  
37 safety center in the office of the superintendent of public instruction  
38 subject to the following conditions and limitations:

1 (A) The safety center shall: Disseminate successful models of  
2 school safety plans and cooperative efforts; provide assistance to  
3 schools to establish a comprehensive safe school plan; select models of  
4 cooperative efforts that have been proven successful; act as an  
5 information dissemination and resource center when an incident occurs  
6 in a school district either in Washington or in another state;  
7 coordinate activities relating to school safety; review and approve  
8 manuals and curricula used for school safety models and training; and  
9 develop and maintain a school safety information web site.

10 (B) The school safety center advisory committee shall develop a  
11 training program, using the best practices in school safety, for all  
12 school safety personnel.

13 (iii) A maximum of \$100,000 of the general fund--state  
14 appropriation for fiscal year 2006 and a maximum of \$100,000 of the  
15 general fund--state appropriation for fiscal year 2007 are provided for  
16 a school safety training program provided by the criminal justice  
17 training commission. The commission, in collaboration with the school  
18 safety center advisory committee, shall provide the school safety  
19 training for all school administrators and school safety personnel,  
20 including school safety personnel hired after the effective date of  
21 this section.

22 (iv) \$11,600,000 of the general fund--federal appropriation is  
23 provided for safe and drug free schools and communities grants for drug  
24 and violence prevention activities and strategies.

25 (v) A maximum of \$146,000 of the general fund--state appropriation  
26 for fiscal year 2006 and a maximum of \$146,000 of the general fund--  
27 state appropriation for fiscal year 2007 are provided for a nonviolence  
28 and leadership training program provided by the institute for community  
29 leadership. The program shall provide a request for proposal process,  
30 with up to 80 percent funding, for nonviolence leadership workshops  
31 serving at least 12 school districts with direct programming in 36  
32 elementary, middle, and high schools throughout Washington state.

33 (b) TECHNOLOGY

34 A maximum of \$1,939,000 of the general fund--state appropriation  
35 for fiscal year 2006 and a maximum of \$1,939,000 of the general fund--  
36 state appropriation for fiscal year 2007 are provided for K-20  
37 telecommunications network technical support in the K-12 sector to  
38 prevent system failures and avoid interruptions in school utilization

1 of the data processing and video-conferencing capabilities of the  
2 network. These funds may be used to purchase engineering and advanced  
3 technical support for the network.

4 (c) GRANTS AND ALLOCATIONS

5 (i) \$787,000 of the fiscal year 2006 appropriation and \$799,000 of  
6 the fiscal year 2007 appropriation are provided solely for the special  
7 services pilot projects. The office of the superintendent of public  
8 instruction shall allocate these funds to the district or districts  
9 participating in the pilot program according to the provisions of RCW  
10 28A.630.015.

11 (ii) A maximum of \$1,097,000 of the general fund--state  
12 appropriation for fiscal year 2006 and a maximum of \$1,097,000 of the  
13 general fund--state appropriation for fiscal year 2007 are provided for  
14 alternative certification routes. Funds may be used by the  
15 professional educator standards board to continue existing alternative-  
16 route grant programs and to create new alternative-route programs in  
17 regions of the state with service shortages.

18 (iii) A maximum of \$31,000 of the general fund--state appropriation  
19 for fiscal year 2006 and a maximum of \$31,000 of the general fund--  
20 state appropriation for fiscal year 2007 are provided for operation of  
21 the Cispus environmental learning center.

22 (iv) A maximum of \$1,224,000 of the general fund--state  
23 appropriation for fiscal year 2006 and a maximum of \$1,224,000 of the  
24 general fund--state appropriation for fiscal year 2007 are provided for  
25 in-service training and educational programs conducted by the Pacific  
26 Science Center.

27 (v) A maximum of \$1,079,000 of the general fund--state  
28 appropriation for fiscal year 2006 and a maximum of \$1,079,000 of the  
29 general fund--state appropriation for fiscal year 2007 are provided for  
30 the Washington state leadership assistance for science education reform  
31 (LASER) regional partnership coordinated at the Pacific Science Center.

32 (vi) A maximum of \$97,000 of the general fund--state appropriation  
33 for fiscal year 2006 and a maximum of \$97,000 of the general fund--  
34 state appropriation for fiscal year 2007 are provided to support  
35 vocational student leadership organizations.

36 (vii) A maximum of \$146,000 of the general fund--state  
37 appropriation for fiscal year 2006 and a maximum of \$146,000 of the

1 general fund--state appropriation for fiscal year 2007 are provided for  
2 the Washington civil liberties education program.

3 (viii) \$1,000,000 of the general fund--state appropriation for  
4 fiscal year 2006 and \$1,000,000 of the general fund--state  
5 appropriation for fiscal year 2007 are provided solely for the  
6 Washington state achievers scholarship program. The funds shall be  
7 used to support community involvement officers that recruit, train, and  
8 match community volunteer mentors with students selected as achievers  
9 scholars.

10 (ix) \$1,521,000 of the general fund--federal appropriation is  
11 provided for the advanced placement fee program to increase  
12 opportunities for low-income students and under-represented populations  
13 to participate in advanced placement courses and to increase the  
14 capacity of schools to provide advanced placement courses to students.

15 (x) \$8,292,000 of the general fund--federal appropriation is  
16 provided for comprehensive school reform demonstration projects to  
17 provide grants to low-income schools for improving student achievement  
18 through adoption and implementation of research-based curricula and  
19 instructional programs.

20 (xi) \$19,587,000 of the general fund--federal appropriation is  
21 provided for 21st century learning center grants, providing after-  
22 school and inter-session activities for students.

23 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**  
24 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

25	General Fund--State Appropriation (FY 2006) . . . . .	\$4,185,121,000
26	General Fund--State Appropriation (FY 2007) . . . . .	\$4,238,010,000
27	TOTAL APPROPRIATION . . . . .	\$8,423,131,000

28 The appropriations in this section are subject to the following  
29 conditions and limitations:

30 (1) Each general fund fiscal year appropriation includes such funds  
31 as are necessary to complete the school year ending in the fiscal year  
32 and for prior fiscal year adjustments.

33 (2) Allocations for certificated staff salaries for the 2005-06 and  
34 2006-07 school years shall be determined using formula-generated staff  
35 units calculated pursuant to this subsection. Staff allocations for  
36 small school enrollments in (d) through (f) of this subsection shall be  
37 reduced for vocational full-time equivalent enrollments. Staff

1 allocations for small school enrollments in grades K-6 shall be the  
2 greater of that generated under (a) of this subsection, or under (d)  
3 and (e) of this subsection. Certificated staffing allocations shall be  
4 as follows:

5 (a) On the basis of each 1,000 average annual full-time equivalent  
6 enrollments, excluding full-time equivalent enrollment otherwise  
7 recognized for certificated staff unit allocations under (c) through  
8 (f) of this subsection:

9 (i) Four certificated administrative staff units per thousand full-  
10 time equivalent students in grades K-12;

11 (ii) 49 certificated instructional staff units per thousand full-  
12 time equivalent students in grades K-3;

13 (iii) Forty-six certificated instructional staff units per thousand  
14 full-time equivalent students in grades 4-12; and

15 (iv) An additional 4.2 certificated instructional staff units for  
16 grades K-3 and an additional 7.2 certificated instructional staff units  
17 for grade 4. Any funds allocated for the additional certificated units  
18 provided in this subsection (iv) shall not be considered as basic  
19 education funding;

20 (A) Funds provided under this subsection (2)(a)(iv) in excess of  
21 the amount required to maintain the statutory minimum ratio established  
22 under RCW 28A.150.260(2)(b) shall be allocated only if the district  
23 documents an actual ratio in grades K-4 equal to or greater than 53.2  
24 certificated instructional staff per thousand full-time equivalent  
25 students. For any school district documenting a lower certificated  
26 instructional staff ratio, the allocation shall be based on the  
27 district's actual grades K-4 certificated instructional staff ratio  
28 achieved in that school year, or the statutory minimum ratio  
29 established under RCW 28A.150.260(2)(b), if greater;

30 (B) Districts at or above 51.0 certificated instructional staff per  
31 one thousand full-time equivalent students in grades K-4 may dedicate  
32 up to 1.3 of the 53.2 funding ratio to employ additional classified  
33 instructional assistants assigned to basic education classrooms in  
34 grades K-4. For purposes of documenting a district's staff ratio under  
35 this section, funds used by the district to employ additional  
36 classified instructional assistants shall be converted to a  
37 certificated staff equivalent and added to the district's actual

1 certificated instructional staff ratio. Additional classified  
2 instructional assistants, for the purposes of this subsection, shall be  
3 determined using the 1989-90 school year as the base year;

4 (C) Any district maintaining a ratio in grades K-4 equal to or  
5 greater than 53.2 certificated instructional staff per thousand full-  
6 time equivalent students may use allocations generated under this  
7 subsection (2)(a)(iv) in excess of that required to maintain the  
8 minimum ratio established under RCW 28A.150.260(2)(b) to employ  
9 additional basic education certificated instructional staff or  
10 classified instructional assistants in grades 5-6. Funds allocated  
11 under this subsection (2)(a)(iv) shall only be expended to reduce class  
12 size in grades K-6. No more than 1.3 of the certificated instructional  
13 funding ratio amount may be expended for provision of classified  
14 instructional assistants;

15 (b) For school districts with a minimum enrollment of 250 full-time  
16 equivalent students whose full-time equivalent student enrollment count  
17 in a given month exceeds the first of the month full-time equivalent  
18 enrollment count by 5 percent, an additional state allocation of 110  
19 percent of the share that such increased enrollment would have  
20 generated had such additional full-time equivalent students been  
21 included in the normal enrollment count for that particular month;

22 (c)(i) On the basis of full-time equivalent enrollment in:

23 (A) Vocational education programs approved by the superintendent of  
24 public instruction, a maximum of 0.92 certificated instructional staff  
25 units and 0.08 certificated administrative staff units for each 19.5  
26 full-time equivalent vocational students; and

27 (B) Skills center programs meeting the standards for skills center  
28 funding established in January 1999 by the superintendent of public  
29 instruction, 0.92 certificated instructional staff units and 0.08  
30 certificated administrative units for each 16.67 full-time equivalent  
31 vocational students;

32 (ii) Vocational full-time equivalent enrollment shall be reported  
33 on the same monthly basis as the enrollment for students eligible for  
34 basic support, and payments shall be adjusted for reported vocational  
35 enrollments on the same monthly basis as those adjustments for  
36 enrollment for students eligible for basic support; and

37 (iii) Indirect cost charges by a school district to vocational-

1 secondary programs shall not exceed 15 percent of the combined basic  
2 education and vocational enhancement allocations of state funds;

3 (d) For districts enrolling not more than twenty-five average  
4 annual full-time equivalent students in grades K-8, and for small  
5 school plants within any school district which have been judged to be  
6 remote and necessary by the state board of education and enroll not  
7 more than twenty-five average annual full-time equivalent students in  
8 grades K-8:

9 (i) For those enrolling no students in grades 7 and 8, 1.76  
10 certificated instructional staff units and 0.24 certificated  
11 administrative staff units for enrollment of not more than five  
12 students, plus one-twentieth of a certificated instructional staff unit  
13 for each additional student enrolled; and

14 (ii) For those enrolling students in grades 7 or 8, 1.68  
15 certificated instructional staff units and 0.32 certificated  
16 administrative staff units for enrollment of not more than five  
17 students, plus one-tenth of a certificated instructional staff unit for  
18 each additional student enrolled;

19 (e) For specified enrollments in districts enrolling more than  
20 twenty-five but not more than one hundred average annual full-time  
21 equivalent students in grades K-8, and for small school plants within  
22 any school district which enroll more than twenty-five average annual  
23 full-time equivalent students in grades K-8 and have been judged to be  
24 remote and necessary by the state board of education:

25 (i) For enrollment of up to sixty annual average full-time  
26 equivalent students in grades K-6, 2.76 certificated instructional  
27 staff units and 0.24 certificated administrative staff units; and

28 (ii) For enrollment of up to twenty annual average full-time  
29 equivalent students in grades 7 and 8, 0.92 certificated instructional  
30 staff units and 0.08 certificated administrative staff units;

31 (f) For districts operating no more than two high schools with  
32 enrollments of less than three hundred average annual full-time  
33 equivalent students, for enrollment in grades 9-12 in each such school,  
34 other than alternative schools:

35 (i) For remote and necessary schools enrolling students in any  
36 grades 9-12 but no more than twenty-five average annual full-time  
37 equivalent students in grades K-12, four and one-half certificated

1 instructional staff units and one-quarter of a certificated  
2 administrative staff unit;

3 (ii) For all other small high schools under this subsection, nine  
4 certificated instructional staff units and one-half of a certificated  
5 administrative staff unit for the first sixty average annual full time  
6 equivalent students, and additional staff units based on a ratio of  
7 0.8732 certificated instructional staff units and 0.1268 certificated  
8 administrative staff units per each additional forty-three and one-half  
9 average annual full time equivalent students.

10 Units calculated under (f)(ii) of this subsection shall be reduced  
11 by certificated staff units at the rate of forty-six certificated  
12 instructional staff units and four certificated administrative staff  
13 units per thousand vocational full-time equivalent students;

14 (g) For each nonhigh school district having an enrollment of more  
15 than seventy annual average full-time equivalent students and less than  
16 one hundred eighty students, operating a grades K-8 program or a grades  
17 1-8 program, an additional one-half of a certificated instructional  
18 staff unit; and

19 (h) For each nonhigh school district having an enrollment of more  
20 than fifty annual average full-time equivalent students and less than  
21 one hundred eighty students, operating a grades K-6 program or a grades  
22 1-6 program, an additional one-half of a certificated instructional  
23 staff unit.

24 (3) Allocations for classified salaries for the 2005-06 and 2006-07  
25 school years shall be calculated using formula-generated classified  
26 staff units determined as follows:

27 (a) For enrollments generating certificated staff unit allocations  
28 under subsection (2)(d) through (h) of this section, one classified  
29 staff unit for each three certificated staff units allocated under such  
30 subsections;

31 (b) For all other enrollment in grades K-12, including vocational  
32 full-time equivalent enrollments, one classified staff unit for each  
33 sixty average annual full-time equivalent students; and

34 (c) For each nonhigh school district with an enrollment of more  
35 than fifty annual average full-time equivalent students and less than  
36 one hundred eighty students, an additional one-half of a classified  
37 staff unit.

1 (4) Fringe benefit allocations shall be calculated at a rate of  
2 11.21 percent in the 2005-06 school year and 11.73 percent in the 2006-  
3 07 school year for certificated salary allocations provided under  
4 subsection (2) of this section, and a rate of 14.08 percent in the  
5 2005-06 school year and 15.08 percent in the 2006-07 school year for  
6 classified salary allocations provided under subsection (3) of this  
7 section.

8 (5) Insurance benefit allocations shall be calculated at the  
9 maintenance rate specified in section 504(2) of this act, based on the  
10 number of benefit units determined as follows:

11 (a) The number of certificated staff units determined in subsection  
12 (2) of this section; and

13 (b) The number of classified staff units determined in subsection  
14 (3) of this section multiplied by 1.152. This factor is intended to  
15 adjust allocations so that, for the purposes of distributing insurance  
16 benefits, full-time equivalent classified employees may be calculated  
17 on the basis of 1440 hours of work per year, with no individual  
18 employee counted as more than one full-time equivalent.

19 (6)(a) For nonemployee-related costs associated with each  
20 certificated staff unit allocated under subsection (2)(a), (b), and (d)  
21 through (h) of this section, there shall be provided a maximum of  
22 \$9,112 per certificated staff unit in the 2005-06 school year and a  
23 maximum of \$9,285 per certificated staff unit in the 2006-07 school  
24 year.

25 (b) For nonemployee-related costs associated with each vocational  
26 certificated staff unit allocated under subsection (2)(c)(i)(A) of this  
27 section, there shall be provided a maximum of \$22,377 per certificated  
28 staff unit in the 2005-06 school year and a maximum of \$22,802 per  
29 certificated staff unit in the 2006-07 school year.

30 (c) For nonemployee-related costs associated with each vocational  
31 certificated staff unit allocated under subsection (2)(c)(i)(B) of this  
32 section, there shall be provided a maximum of \$17,362 per certificated  
33 staff unit in the 2005-06 school year and a maximum of \$17,692 per  
34 certificated staff unit in the 2006-07 school year.

35 (7) Allocations for substitute costs for classroom teachers shall  
36 be distributed at a maintenance rate of \$531.09 for the 2005-06 and  
37 2006-07 school years per allocated classroom teachers exclusive of  
38 salary increase amounts provided in section 504 of this act. Solely

1 for the purposes of this subsection, allocated classroom teachers shall  
2 be equal to the number of certificated instructional staff units  
3 allocated under subsection (2) of this section, multiplied by the ratio  
4 between the number of actual basic education certificated teachers and  
5 the number of actual basic education certificated instructional staff  
6 reported statewide for the prior school year.

7 (8) Any school district board of directors may petition the  
8 superintendent of public instruction by submission of a resolution  
9 adopted in a public meeting to reduce or delay any portion of its basic  
10 education allocation for any school year. The superintendent of public  
11 instruction shall approve such reduction or delay if it does not impair  
12 the district's financial condition. Any delay shall not be for more  
13 than two school years. Any reduction or delay shall have no impact on  
14 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
15 pursuant to chapter 28A.500 RCW.

16 (9) The superintendent may distribute a maximum of \$7,621,000  
17 outside the basic education formula during fiscal years 2006 and 2007  
18 as follows:

19 (a) For fire protection for school districts located in a fire  
20 protection district as now or hereafter established pursuant to chapter  
21 52.04 RCW, a maximum of \$513,000 may be expended in fiscal year 2006  
22 and a maximum of \$523,000 may be expended in fiscal year 2007;

23 (b) For summer vocational programs at skills centers, a maximum of  
24 \$2,035,000 may be expended for the 2006 fiscal year and a maximum of  
25 \$2,035,000 for the 2007 fiscal year;

26 (c) A maximum of \$365,000 may be expended for school district  
27 emergencies;

28 (d) A maximum of \$485,000 each fiscal year may be expended for  
29 programs providing skills training for secondary students who are  
30 enrolled in extended day school-to-work programs, as approved by the  
31 superintendent of public instruction. The funds shall be allocated at  
32 a rate not to exceed \$500 per full-time equivalent student enrolled in  
33 those programs; and

34 (e) \$394,000 of the general fund--state appropriation for fiscal  
35 year 2006 and \$787,000 of the general fund--state appropriation for  
36 fiscal year 2007 are provided solely for incentive grants to encourage  
37 school districts to increase enrollment in vocational skills centers.  
38 Up to \$500 for each full-time equivalent student may be proportionally

1 distributed to a school district or school districts increasing skills  
2 centers enrollment above the levels in the 2004-05 school year. The  
3 office of the superintendent of public instruction shall develop  
4 criteria for awarding incentive grants pursuant to this subsection.  
5 The total amount allocated pursuant to this subsection shall be limited  
6 to \$1,181,000 for the 2005-07 biennium.

7 (10) For purposes of RCW 84.52.0531, the increase per full-time  
8 equivalent student is 5.2 percent from the 2004-05 school year to the  
9 2005-06 school year and 3.4 percent from the 2005-06 school year to the  
10 2006-07 school year.

11 (11) If two or more school districts consolidate and each district  
12 was receiving additional basic education formula staff units pursuant  
13 to subsection (2)(b) through (h) of this section, the following shall  
14 apply:

15 (a) For three school years following consolidation, the number of  
16 basic education formula staff units shall not be less than the number  
17 of basic education formula staff units received by the districts in the  
18 school year prior to the consolidation; and

19 (b) For the fourth through eighth school years following  
20 consolidation, the difference between the basic education formula staff  
21 units received by the districts for the school year prior to  
22 consolidation and the basic education formula staff units after  
23 consolidation pursuant to subsection (2)(a) through (h) of this section  
24 shall be reduced in increments of twenty percent per year.

25 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**  
26 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following  
27 calculations determine the salaries used in the general fund  
28 allocations for certificated instructional, certificated  
29 administrative, and classified staff units under section 502 of this  
30 act:

31 (a) Salary allocations for certificated instructional staff units  
32 shall be determined for each district by multiplying the district's  
33 certificated instructional total base salary shown on LEAP Document 12E  
34 by the district's average staff mix factor for certificated  
35 instructional staff in that school year, computed using LEAP Document  
36 1Sb; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 12E.

(2) For the purposes of this section:

(a) "LEAP Document 1Sb" means the computerized tabulation establishing staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 18, 2005, at 10:00 hours; and

(b) "LEAP Document 12E" means the computerized tabulation of 2005-06 and 2006-07 school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on April 6, 2005, at 10:00 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 10.57 percent for school year 2005-06 and 11.09 percent for school year 2006-07 for certificated staff and for classified staff 10.58 percent for school year 2005-06 and 11.58 percent for the 2006-07 school year.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2005-06 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	30,383	31,204	32,054	32,906	35,640	37,401	36,426	39,161	40,924
1	30,792	31,624	32,485	33,375	36,137	37,889	36,831	39,594	41,345
2	31,181	32,022	32,892	33,850	36,605	38,375	37,239	39,994	41,764
3	31,583	32,431	33,311	34,299	37,049	38,861	37,626	40,373	42,187
4	31,977	32,862	33,747	34,770	37,536	39,361	38,031	40,796	42,623
5	32,384	33,273	34,167	35,247	38,002	39,864	38,442	41,199	43,061
6	32,802	33,672	34,596	35,729	38,472	40,344	38,864	41,607	43,478
7	33,536	34,420	35,356	36,551	39,334	41,258	39,655	42,437	44,362

1	8	34,612	35,543	36,502	37,796	40,616	42,611	40,899	43,720	45,714
2	9		36,707	37,713	39,054	41,940	44,002	42,156	45,044	47,106
3	10			38,938	40,376	43,301	45,432	43,479	46,405	48,535
4	11				41,737	44,726	46,900	44,840	47,830	50,003
5	12				43,055	46,189	48,428	46,255	49,292	51,532
6	13					47,688	49,993	47,720	50,791	53,096
7	14					49,194	51,618	49,227	52,396	54,721
8	15					50,474	52,961	50,507	53,758	56,144
9	16 or more					51,483	54,019	51,517	54,833	57,266

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2006-07 School Year

12	Years of										MA+90
13	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	or PHD	
14	0	30,900	31,735	32,599	33,466	36,247	38,038	37,046	39,827	41,620	
15	1	31,316	32,162	33,038	33,942	36,752	38,534	37,458	40,268	42,048	
16	2	31,712	32,566	33,451	34,426	37,228	39,028	37,873	40,674	42,475	
17	3	32,121	32,983	33,878	34,883	37,679	39,523	38,266	41,060	42,905	
18	4	32,521	33,421	34,321	35,362	38,174	40,031	38,678	41,491	43,348	
19	5	32,935	33,840	34,748	35,846	38,649	40,543	39,097	41,900	43,794	
20	6	33,360	34,245	35,185	36,337	39,127	41,031	39,526	42,315	44,218	
21	7	34,107	35,005	35,957	37,173	40,003	41,960	40,330	43,159	45,116	
22	8	35,201	36,148	37,123	38,439	41,307	43,336	41,594	44,464	46,492	
23	9		37,332	38,355	39,718	42,654	44,751	42,873	45,810	47,908	
24	10			39,601	41,063	44,038	46,205	44,219	47,194	49,361	
25	11				42,448	45,487	47,698	45,603	48,644	50,853	
26	12				43,788	46,975	49,252	47,042	50,131	52,409	
27	13					48,499	50,844	48,532	51,655	54,000	
28	14					50,031	52,496	50,065	53,287	55,652	
29	15					51,333	53,862	51,366	54,673	57,099	
30	16 or more					52,359	54,938	52,393	55,766	58,241	

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be

1 counted after the masters degree. Thus, as used in this subsection,  
2 the column headings "MA+(N)" refer to the total of:

- 3 (i) Credits earned since receiving the masters degree; and
- 4 (ii) Any credits in excess of forty-five credits that were earned  
5 after the baccalaureate degree but before the masters degree.

6 (5) For the purposes of this section:

7 (a) "BA" means a baccalaureate degree.

8 (b) "MA" means a masters degree.

9 (c) "PHD" means a doctorate degree.

10 (d) "Years of service" shall be calculated under the same rules  
11 adopted by the superintendent of public instruction.

12 (e) "Credits" means college quarter hour credits and equivalent in-  
13 service credits computed in accordance with RCW 28A.415.020 and  
14 28A.415.023.

15 (6) No more than ninety college quarter-hour credits received by  
16 any employee after the baccalaureate degree may be used to determine  
17 compensation allocations under the state salary allocation schedule and  
18 LEAP documents referenced in this act, or any replacement schedules and  
19 documents, unless:

20 (a) The employee has a masters degree; or

21 (b) The credits were used in generating state salary allocations  
22 before January 1, 1992.

23 (7) The certificated instructional staff base salary specified for  
24 each district in LEAP Document 12E and the salary schedules in  
25 subsection (4)(a) of this section include two learning improvement  
26 days. A school district is eligible for the learning improvement day  
27 funds only if the learning improvement days have been added to the 180-  
28 day contract year. If fewer days are added, the additional learning  
29 improvement allocation shall be adjusted accordingly. The additional  
30 days shall be limited to specific activities identified in the state  
31 required school improvement plan related to improving student learning  
32 that are consistent with education reform implementation, and shall not  
33 be considered part of basic education. The principal in each school  
34 shall assure that the days are used to provide the necessary school-  
35 wide, all staff professional development that is tied directly to the  
36 school improvement plan. The school principal and the district  
37 superintendent shall maintain documentation as to their approval of  
38 these activities. The length of a learning improvement day shall not

1 be less than the length of a full day under the base contract. The  
2 superintendent of public instruction shall ensure that school districts  
3 adhere to the intent and purposes of this subsection.

4 (8) The salary allocation schedules established in this section are  
5 for allocation purposes only except as provided in RCW 28A.400.200(2)  
6 and subsection (7) of this section.

7 NEW SECTION. **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**  
8 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

9	General Fund--State Appropriation (FY 2006) . . . . .	\$85,904,000
10	General Fund--State Appropriation (FY 2007) . . . . .	\$178,245,000
11	General Fund--Federal Appropriation . . . . .	\$1,171,000
12	TOTAL APPROPRIATION . . . . .	\$265,320,000

13 The appropriations in this section are subject to the following  
14 conditions and limitations:

15 (1) \$135,598,000 is provided for a cost of living adjustment of 1.2  
16 percent effective September 1, 2005, and another 1.7 percent effective  
17 September 1, 2006, for state formula staff units. The appropriations  
18 include associated incremental fringe benefit allocations at rates of  
19 10.57 percent for the 2005-06 school year and 11.09 percent for the  
20 2006-07 school year for certificated staff and 10.58 percent for the  
21 2005-06 school year and 11.58 percent for the 2006-07 school year for  
22 classified staff.

23 (a) The appropriations in this section include the increased  
24 portion of salaries and incremental fringe benefits for all relevant  
25 state-funded school programs in part V of this act. Increases for  
26 general apportionment (basic education) are based on the salary  
27 allocation schedules and methodology in sections 502 and 503 of this  
28 act. Increases for special education result from increases in each  
29 district's basic education allocation per student. Increases for  
30 educational service districts and institutional education programs are  
31 determined by the superintendent of public instruction using the  
32 methodology for general apportionment salaries and benefits in sections  
33 502 and 503 of this act.

34 (b) The appropriations in this section provide cost of living and  
35 incremental fringe benefit allocations based on formula adjustments as  
36 follows:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	\$0.27	\$0.67
Highly Capable (per formula student)	\$2.96	\$7.25
Transitional Bilingual Education (per eligible bilingual student)	\$7.94	\$19.41
Learning Assistance (per formula student)	\$1.75	\$4.29

(c) The appropriations in this section include \$251,000 for fiscal year 2006 and \$676,000 for fiscal year 2007 for salary increase adjustments for substitute teachers.

(2) \$129,722,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$582.47 per month for the 2005-06 and 2006-07 school years. The appropriations in this section provide for a rate increase to \$643.63 per month for the 2005-06 school year and \$665 per month for the 2006-07 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	\$0.56	\$0.75
Highly Capable (per formula student)	\$3.74	\$5.08
Transitional Bilingual Education (per eligible bilingual student)	\$9.91	\$13.36
Learning Assistance (per formula student)	\$2.03	\$2.74

(3) The rates specified in this section are subject to revision each year by the legislature.

**NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund--State Appropriation (FY 2006)	\$241,771,000
General Fund--State Appropriation (FY 2007)	\$247,868,000
TOTAL APPROPRIATION	\$489,639,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds

1 as are necessary to complete the school year ending in the fiscal year  
2 and for prior fiscal year adjustments.

3 (2) A maximum of \$796,000 of this fiscal year 2006 appropriation  
4 and a maximum of \$812,000 of the fiscal year 2007 appropriation may be  
5 expended for regional transportation coordinators and related  
6 activities. The transportation coordinators shall ensure that data  
7 submitted by school districts for state transportation funding shall,  
8 to the greatest extent practical, reflect the actual transportation  
9 activity of each district.

10 (3) \$5,000 of the fiscal year 2006 appropriation and \$5,000 of the  
11 fiscal year 2007 appropriation are provided solely for the  
12 transportation of students enrolled in "choice" programs.  
13 Transportation shall be limited to low-income students who are  
14 transferring to "choice" programs solely for educational reasons.

15 (4) Allocations for transportation of students shall be based on  
16 reimbursement rates of \$41.40 per weighted mile in the 2005-06 school  
17 year and \$41.85 per weighted mile in the 2006-07 school year exclusive  
18 of salary and benefit adjustments provided in section 504 of this act.  
19 Allocations for transportation of students transported more than one  
20 radius mile shall be based on weighted miles as determined by  
21 superintendent of public instruction multiplied by the per mile  
22 reimbursement rates for the school year pursuant to the formulas  
23 adopted by the superintendent of public instruction. Allocations for  
24 transportation of students living within one radius mile shall be based  
25 on the number of enrolled students in grades kindergarten through five  
26 living within one radius mile of their assigned school multiplied by  
27 the per mile reimbursement rate for the school year multiplied by 1.29.

28 (5) For busses purchased between July 1, 2005, and June 30, 2007,  
29 the office of superintendent of public instruction shall provide  
30 reimbursement funding to a school district only after the  
31 superintendent of public instruction determines that the school bus was  
32 purchased from the list established pursuant to RCW 28A.160.195(2) or  
33 a comparable competitive bid process based on the lowest price quote  
34 based on similar bus categories to those used to establish the list  
35 pursuant to RCW 28A.160.195. The competitive specifications shall meet  
36 federal motor vehicle safety standards, minimum state specifications as  
37 established by rule by the superintendent, and supported options as

1 determined by the superintendent in consultation with the regional  
2 transportation coordinators of the educational service districts.

3 (6) Beginning with the 2005-06 school year, the superintendent of  
4 public instruction shall base depreciation payments for school district  
5 buses on the five-year average of lowest bids in the appropriate  
6 category of bus. In the final year on the depreciation schedule, the  
7 depreciation payment shall be based on the current state price. The  
8 superintendent may include a weighting or other adjustment factor in  
9 the averaging formula to ease the transition from the current-price  
10 depreciation system to the average depreciation system. Prior to  
11 making any depreciation payment in the 2005-06 school year, the  
12 superintendent shall notify the office of financial management and the  
13 fiscal committees of the legislature of the specific depreciation  
14 formula to be used. The replacement cost shall be based on the lowest  
15 bid in the appropriate bus category for that school year. A maximum of  
16 \$50,000 of the fiscal year 2006 appropriation may be expended for  
17 software programming costs associated with the implementation of this  
18 subsection.

19 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**  
20 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

21	General Fund--State Appropriation (FY 2006) . . . . .	\$3,147,000
22	General Fund--State Appropriation (FY 2007) . . . . .	\$3,159,000
23	General Fund--Federal Appropriation . . . . .	\$288,774,000
24	TOTAL APPROPRIATION . . . . .	\$295,080,000

25 The appropriations in this section are subject to the following  
26 conditions and limitations:

27 (1) \$3,000,000 of the general fund--state appropriation for fiscal  
28 year 2006 and \$3,000,000 of the general fund--state appropriation for  
29 fiscal year 2007 are provided for state matching money for federal  
30 child nutrition programs.

31 (2) \$100,000 of the general fund--state appropriation for fiscal  
32 year 2006 and \$100,000 of the 2007 fiscal year appropriation are  
33 provided for summer food programs for children in low-income areas.

34 (3) \$47,000 of the general fund--state appropriation for fiscal  
35 year 2006 and \$59,000 of the general fund--state appropriation for  
36 fiscal year 2007 are provided solely to reimburse school districts for  
37 school breakfasts served to students enrolled in the free or reduced

1 price meal program pursuant to House Bill No. 1771 (requiring school  
2 breakfast programs in certain schools). If House Bill No. 1771 is not  
3 enacted by June 30, 2005, the amounts provided in this subsection shall  
4 lapse.

5 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**  
6 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

7	General Fund--State Appropriation (FY 2006) . . . . .	\$474,566,000
8	General Fund--State Appropriation (FY 2007) . . . . .	\$482,565,000
9	General Fund--Federal Appropriation . . . . .	\$435,462,000
10	TOTAL APPROPRIATION . . . . .	\$1,392,593,000

11 The appropriations in this section are subject to the following  
12 conditions and limitations:

13 (1) Funding for special education programs is provided on an excess  
14 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
15 that special education students as a class receive their full share of  
16 the general apportionment allocation accruing through sections 502 and  
17 504 of this act. To the extent a school district cannot provide an  
18 appropriate education for special education students under chapter  
19 28A.155 RCW through the general apportionment allocation, it shall  
20 provide services through the special education excess cost allocation  
21 funded in this section.

22 (2)(a) The superintendent of public instruction shall use the  
23 excess cost methodology developed and implemented for the 2001-02  
24 school year using the S-275 personnel reporting system and all related  
25 accounting requirements to ensure that:

- 26 (i) Special education students are basic education students first;
- 27 (ii) As a class, special education students are entitled to the  
28 full basic education allocation; and
- 29 (iii) Special education students are basic education students for  
30 the entire school day.

31 (b) The S-275 and accounting changes in effect since the 2001-02  
32 school year shall supercede any prior excess cost methodologies and  
33 shall be required of all school districts.

34 (3) Each fiscal year appropriation includes such funds as are  
35 necessary to complete the school year ending in the fiscal year and for  
36 prior fiscal year adjustments.

1 (4) The superintendent of public instruction shall distribute state  
2 and federal funds to school districts based on two categories: The  
3 optional birth through age two program for special education eligible  
4 developmentally delayed infants and toddlers, and the mandatory special  
5 education program for special education eligible students ages three to  
6 twenty-one. A "special education eligible student" means a student  
7 receiving specially designed instruction in accordance with a properly  
8 formulated individualized education program.

9 (5)(a) For the 2005-06 and 2006-07 school years, the superintendent  
10 shall make allocations to each district based on the sum of:

11 (i) A district's annual average headcount enrollment of  
12 developmentally delayed infants and toddlers ages birth through two,  
13 multiplied by the district's average basic education allocation per  
14 full-time equivalent student, multiplied by 1.15; and

15 (ii) A district's annual average full-time equivalent basic  
16 education enrollment multiplied by the funded enrollment percent  
17 determined pursuant to subsection (6)(b) of this section, multiplied by  
18 the district's average basic education allocation per full-time  
19 equivalent student multiplied by 0.9309.

20 (b) For purposes of this subsection, "average basic education  
21 allocation per full-time equivalent student" for a district shall be  
22 based on the staffing ratios required by RCW 28A.150.260 and shall not  
23 include enhancements, secondary vocational education, or small schools.

24 (6) The definitions in this subsection apply throughout this  
25 section.

26 (a) "Annual average full-time equivalent basic education  
27 enrollment" means the resident enrollment including students enrolled  
28 through choice (RCW 28A.225.225) and students from nonhigh districts  
29 (RCW 28A.225.210) and excluding students residing in another district  
30 enrolled as part of an interdistrict cooperative program (RCW  
31 28A.225.250).

32 (b) "Enrollment percent" means the district's resident special  
33 education annual average enrollment, excluding the birth through age  
34 two enrollment, as a percent of the district's annual average full-time  
35 equivalent basic education enrollment.

36 Each district's general fund--state funded special education  
37 enrollment shall be the lesser of the district's actual enrollment  
38 percent or 12.7 percent.

1 (7) At the request of any interdistrict cooperative of at least 15  
2 districts in which all excess cost services for special education  
3 students of the districts are provided by the cooperative, the maximum  
4 enrollment percent shall be calculated in accordance with subsection  
5 (6)(b) of this section, and shall be calculated in the aggregate rather  
6 than individual district units. For purposes of this subsection, the  
7 average basic education allocation per full-time equivalent student  
8 shall be calculated in the aggregate rather than individual district  
9 units.

10 (8) To the extent necessary, \$54,400,000 of the general fund--state  
11 appropriation and \$28,698,000 of the general fund--federal  
12 appropriation are provided for safety net awards for districts with  
13 demonstrated needs for special education funding beyond the amounts  
14 provided in subsection (5) of this section. If safety net awards  
15 exceed the amount appropriated in this subsection (8), the  
16 superintendent shall expend all available federal discretionary funds  
17 necessary to meet this need. Safety net funds shall be awarded by the  
18 state safety net oversight committee subject to the following  
19 conditions and limitations:

20 (a) The committee shall consider unmet needs for districts that can  
21 convincingly demonstrate that all legitimate expenditures for special  
22 education exceed all available revenues from state funding formulas.  
23 In the determination of need, the committee shall also consider  
24 additional available revenues from federal sources. Differences in  
25 program costs attributable to district philosophy, service delivery  
26 choice, or accounting practices are not a legitimate basis for safety  
27 net awards.

28 (b) The committee shall then consider the extraordinary high cost  
29 needs of one or more individual special education students.  
30 Differences in costs attributable to district philosophy, service  
31 delivery choice, or accounting practices are not a legitimate basis for  
32 safety net awards.

33 (c) The maximum allowable indirect cost for calculating safety net  
34 eligibility may not exceed the federal restricted indirect cost rate  
35 for the district plus one percent.

36 (d) Safety net awards shall be adjusted based on the percent of  
37 potential medicaid eligible students billed as calculated by the  
38 superintendent in accordance with chapter 318, Laws of 1999.

1 (e) Safety net awards must be adjusted for any audit findings or  
2 exceptions related to special education funding.

3 (9) The superintendent of public instruction may adopt such rules  
4 and procedures as are necessary to administer the special education  
5 funding and safety net award process. Prior to revising any standards,  
6 procedures, or rules, the superintendent shall consult with the office  
7 of financial management and the fiscal committees of the legislature.

8 (10) The safety net oversight committee appointed by the  
9 superintendent of public instruction shall consist of:

10 (a) One staff from the office of superintendent of public  
11 instruction;

12 (b) Staff of the office of the state auditor who shall be nonvoting  
13 members of the committee; and

14 (c) One or more representatives from school districts or  
15 educational service districts knowledgeable of special education  
16 programs and funding.

17 (11) A maximum of \$678,000 may be expended from the general fund--  
18 state appropriations to fund 5.43 full-time equivalent teachers and 2.1  
19 full-time equivalent aides at children's orthopedic hospital and  
20 medical center. This amount is in lieu of money provided through the  
21 home and hospital allocation and the special education program.

22 (12) A maximum of \$1,000,000 of the general fund--federal  
23 appropriation is provided for projects to provide special education  
24 students with appropriate job and independent living skills, including  
25 work experience where possible, to facilitate their successful  
26 transition out of the public school system. The funds provided by this  
27 subsection shall be from federal discretionary grants.

28 (13) The superintendent shall maintain the percentage of federal  
29 flow-through to school districts at 85 percent. In addition to other  
30 purposes, school districts may use increased federal funds for high-  
31 cost students, for purchasing regional special education services from  
32 educational service districts, and for staff development activities  
33 particularly relating to inclusion issues.

34 (14) A maximum of \$1,200,000 of the general fund--federal  
35 appropriation may be expended by the superintendent for projects  
36 related to use of inclusion strategies by school districts for  
37 provision of special education services.

1 (15) \$1,400,000 of the general fund--federal appropriation shall be  
2 expended for one-time grants to school districts for the start-up costs  
3 of implementing web-based programs that assist schools in meeting state  
4 and federal requirements regarding individualized education plans.

5 (16) The superintendent, consistent with the new federal IDEA  
6 reauthorization, shall continue to educate school districts on how to  
7 implement a birth-to-three program and review the cost effectiveness  
8 and learning benefits of early intervention.

9 (17) A school district may carry over from one year to the next  
10 year up to 10 percent of the general fund--state funds allocated under  
11 this program; however, carry over funds shall be expended in the  
12 special education program.

13 **NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**  
14 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

15	General Fund--State Appropriation (FY 2006) . . . . .	\$3,691,000
16	General Fund--State Appropriation (FY 2007) . . . . .	\$3,711,000
17	TOTAL APPROPRIATION . . . . .	\$7,402,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations:

20 (1) The educational service districts shall continue to furnish  
21 financial services required by the superintendent of public instruction  
22 and RCW 28A.310.190 (3) and (4).

23 (2) The educational service districts, at the request of the state  
24 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may  
25 receive and screen applications for school accreditation, conduct  
26 school accreditation site visits pursuant to state board of education  
27 rules, and submit to the state board of education post-site visit  
28 recommendations for school accreditation. The educational service  
29 districts may assess a cooperative service fee to recover actual plus  
30 reasonable indirect costs for the purposes of this subsection.

31 **NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**  
32 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

33	General Fund--State Appropriation (FY 2006) . . . . .	\$167,003,000
34	General Fund--State Appropriation (FY 2007) . . . . .	\$169,080,000
35	TOTAL APPROPRIATION . . . . .	\$336,083,000

1            NEW SECTION.    **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**  
2 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

3	General Fund--State Appropriation (FY 2006) . . . . .	\$19,111,000
4	General Fund--State Appropriation (FY 2007) . . . . .	\$19,667,000
5	TOTAL APPROPRIATION . . . . .	\$38,778,000

6            The appropriations in this section are subject to the following  
7 conditions and limitations:

8            (1) Each general fund--state fiscal year appropriation includes  
9 such funds as are necessary to complete the school year ending in the  
10 fiscal year and for prior fiscal year adjustments.

11           (2) State funding provided under this section is based on salaries  
12 and other expenditures for a 220-day school year. The superintendent  
13 of public instruction shall monitor school district expenditure plans  
14 for institutional education programs to ensure that districts plan for  
15 a full-time summer program.

16           (3) State funding for each institutional education program shall be  
17 based on the institution's annual average full-time equivalent student  
18 enrollment. Staffing ratios for each category of institution shall  
19 remain the same as those funded in the 1995-97 biennium.

20           (4) The funded staffing ratios for education programs for juveniles  
21 age 18 or less in department of corrections facilities shall be the  
22 same as those provided in the 1997-99 biennium.

23           (5) \$219,000 of the general fund--state appropriation for fiscal  
24 year 2006 and \$219,000 of the general fund--state appropriation for  
25 fiscal year 2007 are provided solely to maintain at least one  
26 certificated instructional staff and related support services at an  
27 institution whenever the K-12 enrollment is not sufficient to support  
28 one full-time equivalent certificated instructional staff to furnish  
29 the educational program. The following types of institutions are  
30 included: Residential programs under the department of social and  
31 health services for developmentally disabled juveniles, programs for  
32 juveniles under the department of corrections, and programs for  
33 juveniles under the juvenile rehabilitation administration.

34           (6) Ten percent of the funds allocated for each institution may be  
35 carried over from one year to the next.

36           NEW SECTION.    **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**

1 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$6,870,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$6,922,000
4	TOTAL APPROPRIATION . . . . .	\$13,792,000

5 The appropriations in this section are subject to the following  
6 conditions and limitations:

7 (1) Each general fund fiscal year appropriation includes such funds  
8 as are necessary to complete the school year ending in the fiscal year  
9 and for prior fiscal year adjustments.

10 (2) Allocations for school district programs for highly capable  
11 students shall be distributed at a maximum rate of \$347.93 per funded  
12 student for the 2005-06 school year and \$349.10 per funded student for  
13 the 2006-07 school year, exclusive of salary and benefit adjustments  
14 pursuant to section 504 of this act. The number of funded students  
15 shall be a maximum of two percent of each district's full-time  
16 equivalent basic education enrollment.

17 (3) \$170,000 of the fiscal year 2006 appropriation and \$170,000 of  
18 the fiscal year 2007 appropriation are provided for the centrum program  
19 at Fort Worden state park.

20 (4) \$90,000 of the fiscal year 2006 appropriation and \$90,000 of  
21 the fiscal year 2007 appropriation are provided for the Washington  
22 destination imagination network and future problem-solving programs.

23 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**  
24 **INSTRUCTION--FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND**  
25 **SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT**

26	General Fund--Federal Appropriation . . . . .	\$22,084,000
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27 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**  
28 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

29	General Fund--State Appropriation (FY 2006) . . . . .	\$39,110,000
30	General Fund--State Appropriation (FY 2007) . . . . .	\$36,899,000
31	General Fund--Federal Appropriation . . . . .	\$123,264,000
32	TOTAL APPROPRIATION . . . . .	\$199,273,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations:

35 (1) ASSESSMENT

1       \$19,810,000 of the general fund--state appropriation for fiscal  
2 year 2006, \$16,105,000 of the general fund--state appropriation for  
3 fiscal year 2007, and \$16,111,000 of the general fund--federal  
4 appropriation are provided solely for development and implementation of  
5 the Washington assessments of student learning (WASL), including  
6 development and implementation of retake assessments for high school  
7 students who are not successful in one or more content areas of the  
8 WASL and development of alternative assessments or appeals procedures  
9 to implement the certificate of academic achievement. Within these  
10 amounts, the superintendent of public instruction shall contract for  
11 the early return of 10th grade student WASL results, on or around June  
12 10th of each year.

13       (2) PROFESSIONAL DEVELOPMENT

14       (a) \$548,000 of the fiscal year 2006 general fund--state  
15 appropriation and \$548,000 of the fiscal year 2007 general fund--state  
16 appropriation are provided solely for training of paraprofessional  
17 classroom assistants and certificated staff who work with classroom  
18 assistants as provided in RCW 28A.415.310.

19       (b) \$2,348,000 of the general fund--state appropriation for fiscal  
20 year 2006 and \$2,348,000 of the general fund--state appropriation for  
21 fiscal year 2007 are provided solely for mentor teacher assistance,  
22 including state support activities, under RCW 28A.415.250 and  
23 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in  
24 this subsection may be used each fiscal year to operate a mentor  
25 academy to help districts provide effective training for peer mentors.  
26 Funds for the teacher assistance program shall be allocated to school  
27 districts based on the number of first year beginning teachers.

28       (c) \$705,000 of the general fund--state appropriation for fiscal  
29 year 2006 and \$705,000 of the general fund--state appropriation for  
30 fiscal year 2007 are provided solely for the leadership internship  
31 program for superintendents, principals, and program administrators.

32       (d) \$3,010,000 of the general fund--state appropriation for fiscal  
33 year 2006 and \$4,018,000 of the general fund--state appropriation for  
34 fiscal year 2007 are provided solely for salary bonuses for teachers  
35 who attain certification by the national board for professional  
36 teaching standards, subject to the following conditions and  
37 limitations:

1 (i) Teachers who hold a valid certificate from the national board  
2 during the 2005-06 or 2006-07 school years shall receive an annual  
3 bonus not to exceed \$3,500 in each of these school years in which they  
4 hold a national board certificate.

5 (ii) The annual bonus shall be paid in a lump sum amount and shall  
6 not be included in the definition of "earnable compensation" under RCW  
7 41.32.010(10).

8 (e) \$90,399,000 of the general fund--federal appropriation is  
9 provided for preparing, training, and recruiting high quality teachers  
10 and principals under Title II of the no child left behind act.

11 (3) SCHOOL IMPROVEMENT

12 (a) \$363,000 of the general fund--state appropriation for fiscal  
13 year 2006 and \$363,000 of the general fund--state appropriation for  
14 fiscal year 2007 are provided solely for a principal support program.  
15 The office of the superintendent of public instruction may contract  
16 with an independent organization to administer the program. The  
17 program shall include: (i) Development of an individualized  
18 professional growth plan for a new principal or principal candidate;  
19 and (ii) participation of a mentor principal who works over a period of  
20 between one and three years with the new principal or principal  
21 candidate to help him or her build the skills identified as critical to  
22 the success of the professional growth plan. Within the amounts  
23 provided, \$50,000 per year shall be used to support additional  
24 participation of secondary principals.

25 (b) \$3,046,000 of the general fund--state appropriation for fiscal  
26 year 2006 and \$3,046,000 of the general fund--state appropriation for  
27 fiscal year 2007 are provided solely to the office of the  
28 superintendent of public instruction for focused assistance. The  
29 office of the superintendent of public instruction shall conduct  
30 educational audits of low-performing schools and enter into performance  
31 agreements between school districts and the office to implement the  
32 recommendations of the audit and the community. Each educational audit  
33 shall include recommendations for best practices and ways to address  
34 identified needs and shall be presented to the community in a public  
35 meeting to seek input on ways to implement the audit and its  
36 recommendations.

37 (c) \$1,000,000 of the general fund--state appropriation for fiscal  
38 year 2006 and \$1,000,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely to match funding provided by a  
2 nonprofit foundation to expand the focused assistance program to high  
3 schools and school districts.

4 (d) A maximum of \$250,000 of the general fund--state appropriation  
5 for fiscal year 2006 and a maximum of \$250,000 of the general fund--  
6 state appropriation for fiscal year 2007 are provided for summer  
7 accountability institutes offered by the superintendent of public  
8 instruction. The institutes shall provide school district staff with  
9 training in the analysis of student assessment data, information  
10 regarding successful district and school teaching models, research on  
11 curriculum and instruction, and planning tools for districts to improve  
12 instruction in reading, mathematics, language arts, social studies,  
13 including civics, and guidance and counseling. The superintendent of  
14 public instruction shall emphasize issues of high school reform and  
15 mathematics instruction when offering summer institute programs  
16 supported by funds provided in this subsection.

17 (e) \$515,000 of the general fund--state appropriation for fiscal  
18 year 2006 and \$515,000 of the general fund--state appropriation for  
19 fiscal year 2007 are provided for the evaluation of reading and  
20 mathematics textbooks, other instructional materials, and diagnostic  
21 tools to determine the extent to which they are aligned with the state  
22 standards. A scorecard of the analysis shall be made available to  
23 school districts. The superintendent shall also develop and  
24 disseminate information on essential components of comprehensive,  
25 school-based math and reading programs and shall develop and  
26 disseminate grade level expectations for reading and math which shall  
27 include professional development modules and web-based materials.

28 (f) \$1,764,000 of the general fund--state appropriation for fiscal  
29 year 2006 and \$1,764,000 of the general fund--state appropriation for  
30 fiscal year 2007 are provided solely for the mathematics helping corps  
31 subject to the following conditions and limitations:

32 (i) In order to increase the availability and quality of technical  
33 mathematics assistance statewide, the superintendent of public  
34 instruction shall employ mathematics school improvement specialists to  
35 provide assistance to schools and districts. The specialists shall be  
36 hired by and work under the direction of a statewide school improvement  
37 coordinator. The mathematics improvement specialists shall not be  
38 permanent employees of the superintendent of public instruction.

1 (ii) The school improvement specialists shall provide the  
2 following:

3 (A) Assistance to schools to disaggregate student performance data  
4 and develop improvement plans based on those data;

5 (B) Consultation with schools and districts concerning their  
6 performance on the Washington assessment of student learning and other  
7 assessments emphasizing the performance on the mathematics assessments;

8 (C) Consultation concerning curricula that aligns with the  
9 essential academic learning requirements emphasizing the academic  
10 learning requirements for mathematics, the Washington assessment of  
11 student learning, and meets the needs of diverse learners;

12 (D) Assistance in the identification and implementation of  
13 research-based instructional practices in mathematics;

14 (E) Staff training that emphasizes effective instructional  
15 strategies and classroom-based assessment for mathematics;

16 (F) Assistance in developing and implementing family and community  
17 involvement programs emphasizing mathematics; and

18 (G) Other assistance to schools and school districts intended to  
19 improve student mathematics learning.

20 (g) \$500,000 of the general fund--state appropriation for fiscal  
21 year 2006 and \$500,000 of the general fund--state appropriation for  
22 fiscal year 2007 are provided solely for the improvement of reading  
23 achievement and implementation of research-based reading models. The  
24 superintendent shall evaluate reading curriculum programs and other  
25 instructional materials to determine the extent to which they are  
26 aligned with state standards. A report of the analyses shall be made  
27 available to school districts. The superintendent shall report to  
28 districts the assessments that are available to screen and diagnose  
29 reading difficulties, and shall provide training on how to implement a  
30 reading assessment system. Resources may also be used to disseminate  
31 grade level expectations and develop professional development modules  
32 and web-based materials. Half of the funding shall be used to develop  
33 regional leadership capacity to implement the state K-12 reading model  
34 and assessment system in areas of the state with the greatest need for  
35 assistance.

36 (h) \$500,000 of the general fund--state appropriation for fiscal  
37 year 2007 is provided solely for the districts to purchase and

1 implement reading diagnostic assessments. The superintendent shall  
2 distribute funds based on K-5 enrollment, but districts are not  
3 restricted to using funds for K-5.

4 (i) \$16,758,000 of the general fund--federal appropriation is  
5 provided for the reading first program under Title I of the no child  
6 left behind act.

7 (4) STUDENT SUPPORTS

8 (a) \$2,500,000 of the general fund--state appropriation for fiscal  
9 year 2006 and \$2,500,000 of the general fund--state appropriation for  
10 fiscal year 2007 are provided solely for the meals for kids program  
11 under RCW 28A.235.145 through 28A.235.155.

12 (b) \$260,000 of the general fund--state appropriation for fiscal  
13 year 2006 and \$260,000 of the general fund--state appropriation for  
14 fiscal year 2007 are provided solely for an early reading grant program  
15 for community-based initiatives that develop prereading and early  
16 reading skills through parental and community involvement, public  
17 awareness, coordination of resources, and partnerships with local  
18 school districts. Grant awards shall include funding for one-time  
19 start up costs for local affiliates and a one-time partial payment of  
20 school district dues to local affiliates of up to 30 percent of the per  
21 student dues amount. Grant applications shall include:

22 (i) Strategies for parental involvement emphasizing ages birth to  
23 five and outreach to diverse communities;

24 (ii) Evidence of collaboration with, and support from, local school  
25 districts, and how the activities funded in the grant are complementary  
26 to the reading improvement efforts of local school districts;

27 (iii) A plan for community participation and coordination of  
28 resources including in-kind and financial support by public and private  
29 sector partners;

30 (iv) Measurable goals and evaluation methodology to determine  
31 impact;

32 (v) Integration of reading strategies from the Washington state  
33 early learning and development benchmarks;

34 (vi) A plan for marketing and public relations;

35 (vii) Strategies for sustaining the program when grant funding is  
36 no longer available; and

37 (viii) Evidence of district commitment to reading improvement,  
38 aligned curriculum, progress monitoring, and time-on-task.

1 (5) TECHNOLOGY

2 (a) \$1,959,000 of the general fund--state appropriation for fiscal  
3 year 2006 and \$1,959,000 of the general fund--state appropriation for  
4 fiscal year 2007 are provided solely for improving technology  
5 infrastructure, monitoring and reporting on school district technology  
6 development, promoting standards for school district technology,  
7 promoting statewide coordination and planning for technology  
8 development, and providing regional educational technology support  
9 centers, including state support activities, under chapter 28A.650 RCW.  
10 The superintendent of public instruction shall coordinate a process to  
11 facilitate the evaluation and provision of online curriculum courses to  
12 school districts which includes the following: Creation of a general  
13 listing of the types of available online curriculum courses; a survey  
14 conducted by each regional educational technology support center of  
15 school districts in its region regarding the types of online curriculum  
16 courses desired by school districts; a process to evaluate and  
17 recommend to school districts the best online courses in terms of  
18 curriculum, student performance, and cost; and assistance to school  
19 districts in procuring and providing the courses to students.

20 (b) \$126,000 of the general fund--state appropriation for fiscal  
21 year 2006 and \$126,000 of the general fund--state appropriation for  
22 fiscal year 2007 are provided for the development and posting of web-  
23 based instructional tools, assessment data, and other information that  
24 assists schools and teachers implementing higher academic standards.

25 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**  
26 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

27	General Fund--State Appropriation (FY 2006) . . . . .	\$59,791,000
28	General Fund--State Appropriation (FY 2007) . . . . .	\$63,496,000
29	General Fund--Federal Appropriation . . . . .	\$45,561,000
30	TOTAL APPROPRIATION . . . . .	\$168,848,000

31 The appropriations in this section are subject to the following  
32 conditions and limitations:

33 (1) Each general fund fiscal year appropriation includes such funds  
34 as are necessary to complete the school year ending in the fiscal year  
35 and for prior fiscal year adjustments.

36 (2) The superintendent shall distribute a maximum of \$759.58 per

1 eligible bilingual student in the 2005-06 school year and \$762.69 in  
2 the 2006-07 school year, exclusive of salary and benefit adjustments  
3 provided in section 504 of this act.

4 (3) The superintendent may withhold up to 1.5 percent of the school  
5 year allocations to school districts in subsection (2) of this section,  
6 and adjust the per eligible pupil rates in subsection (2) of this  
7 section accordingly, solely for the central provision of assessments as  
8 provided in RCW 28A.180.090 (1) and (2).

9 (4) \$70,000 of the amounts appropriated in this section are  
10 provided solely to develop a system for the tracking of current and  
11 former transitional bilingual program students.

12 (5) The general fund--federal appropriation in this section is  
13 provided for migrant education under Title I Part C and English  
14 language acquisition, and language enhancement grants under Title III  
15 of the elementary and secondary education act.

16 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**  
17 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

18	General Fund--State Appropriation (FY 2006) . . . . .	\$77,647,000
19	General Fund--State Appropriation (FY 2007) . . . . .	\$82,617,000
20	General Fund--Federal Appropriation . . . . .	\$343,227,000
21	TOTAL APPROPRIATION . . . . .	\$503,491,000

22 (1) The general fund--state appropriations in this section are  
23 subject to the following conditions and limitations:

24 (a) Each general fund--state fiscal year appropriation includes  
25 such funds as are necessary to complete the school year ending in the  
26 fiscal year and for prior fiscal year adjustments.

27 (b) Funding for school district learning assistance programs shall  
28 be allocated at maximum rates of \$191.60 per funded student for the  
29 2005-06 school year and \$192.77 per funded student for the 2006-07  
30 school year exclusive of salary and benefit adjustments provided under  
31 section 504 of this act.

32 (c) A school district's funded students for the learning assistance  
33 program shall be the sum of the following as appropriate:

34 (i) The district's full-time equivalent enrollment in grades K-12  
35 for the prior school year times the district's percentage of October  
36 headcount enrollment in grades K-12 eligible for free or reduced price  
37 lunch in the prior school year; and

1 (ii) If, in the prior school year, the district's percentage of  
2 October headcount enrollment in grades K-12 eligible for free or  
3 reduced price lunch exceeded forty percent, subtract forty percent from  
4 the district's percentage and multiply the result by the district's K-  
5 12 annual average full-time equivalent enrollment for the prior school  
6 year.

7 (d) In addition to amounts allocated in (b) and (c) of this  
8 subsection, an additional amount shall be allocated to a school  
9 district for each school year in which the district's allocation is  
10 less than the amount the district received for the general fund--state  
11 learning assistance program allocation in the 2004-05 school year. The  
12 amount of the allocation in this section shall be sufficient to  
13 maintain the 2004-05 school year allocation.

14 (2) Increases in a school district's allocation above the 2004-05  
15 school year level shall be directed to grades nine through twelve.  
16 Districts are encouraged to offer remediation courses in the summer for  
17 students who fail the tenth grade WASL.

18 (3) The general fund--federal appropriation in this section is  
19 provided for Title I Part A allocations of the no child left behind act  
20 of 2001.

21 (4) Small school districts are encouraged to make the most  
22 efficient use of the funding provided by using regional educational  
23 service district cooperatives to hire staff, provide professional  
24 development activities, and implement reading and mathematics programs  
25 consistent with research-based guidelines provided by the office of the  
26 superintendent of public instruction.

27 (5) A school district may carry over from one year to the next up  
28 to 10 percent of the general fund--state funds allocated under this  
29 program; however, carryover funds shall be expended for the learning  
30 assistance program.

31 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**  
32 **INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

33 Student Achievement Account--State Appropriation . . . . \$629,356,000

34 The appropriation in this section is subject to the following  
35 conditions and limitations:

36 (1) Funding for school district student achievement programs shall  
37 be allocated at a maximum rate of \$300.00 per FTE student for the 2005-

1 06 school year and \$375.00 per FTE student for the 2006-07 school year.  
2 For the purposes of this section and in accordance with RCW 84.52.068,  
3 FTE student refers to the annual average full-time equivalent  
4 enrollment of the school district in grades kindergarten through twelve  
5 for the prior school year.

6 (2) The appropriation is allocated for the following uses as  
7 specified in RCW 28A.505.210:

8 (a) To reduce class size by hiring certificated elementary  
9 classroom teachers in grades K-4 and paying nonemployee-related costs  
10 associated with those new teachers;

11 (b) To make selected reductions in class size in grades 5-12, such  
12 as small high school writing classes;

13 (c) To provide extended learning opportunities to improve student  
14 academic achievement in grades K-12, including, but not limited to,  
15 extended school year, extended school day, before-and-after-school  
16 programs, special tutoring programs, weekend school programs, summer  
17 school, and all-day kindergarten;

18 (d) To provide additional professional development for educators  
19 including additional paid time for curriculum and lesson redesign and  
20 alignment, training to ensure that instruction is aligned with state  
21 standards and student needs, reimbursement for higher education costs  
22 related to enhancing teaching skills and knowledge, and mentoring  
23 programs to match teachers with skilled, master teachers. The funding  
24 shall not be used for salary increases or additional compensation for  
25 existing teaching duties, but may be used for extended year and  
26 extended day teaching contracts;

27 (e) To provide early assistance for children who need  
28 prekindergarten support in order to be successful in school; or

29 (f) To provide improvements or additions to school building  
30 facilities which are directly related to the class size reductions and  
31 extended learning opportunities under (a) through (c) of this  
32 subsection (2).

33 (3) The superintendent of public instruction shall distribute the  
34 school year allocation according to the monthly apportionment schedule  
35 defined in RCW 28A.510.250.

36 NEW SECTION. **Sec. 517. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR**  
37 **ADJUSTMENTS.** State general fund and state student achievement fund

1 appropriations provided to the superintendent of public instruction for  
2 state entitlement programs in the public schools in this part V of this  
3 act may be expended as needed by the superintendent for adjustments to  
4 apportionment for prior fiscal periods. Recoveries of state general  
5 fund moneys from school districts and educational service districts for  
6 a prior fiscal period shall be made as reductions in apportionment  
7 payments for the current fiscal period and shall be shown as prior year  
8 adjustments on apportionment reports for the current period. Such  
9 recoveries shall not be treated as revenues to the state, but as a  
10 reduction in the amount expended against the appropriation for the  
11 current fiscal period.

12 NEW SECTION. **Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC**  
13 **INSTRUCTION.** Appropriations made in this act to the office of  
14 superintendent of public instruction shall initially be allotted as  
15 required by this act. Subsequent allotment modifications shall not  
16 include transfers of moneys between sections of this act.

(End of part)



1 institutions of higher education for policy planning purposes.  
2 Institutions of higher education shall report personnel data to the  
3 department of personnel for inclusion in the department's data  
4 warehouse. Uniform reporting procedures shall be established by the  
5 department of personnel for use by the reporting institutions,  
6 including provisions for common job classifications and common  
7 definitions of full-time equivalent staff. Annual contract amounts,  
8 number of contract months, and funding sources shall be consistently  
9 reported for employees under contract.

10 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to  
11 full-time students at the state's institutions of higher education for  
12 the 2005-06 and 2006-07 academic years, other than the summer term,  
13 shall be adjusted by the governing boards of the state universities,  
14 regional universities, The Evergreen State College, and the state board  
15 for community and technical colleges. Tuition fees may be increased in  
16 excess of the fiscal growth factor under RCW 43.135.055.

17 For the 2005-06 academic year, the governing boards of the state  
18 universities may implement an increase no greater than seven percent  
19 over tuition fees charged to full-time resident undergraduate students  
20 for the 2004-05 academic year. The governing boards of the regional  
21 universities and The Evergreen State College may implement an increase  
22 no greater than six percent over tuition fees charged to full-time  
23 resident undergraduate students for the 2004-05 academic year. The  
24 state board for community and technical colleges may implement an  
25 increase no greater than five percent over tuition fees charged to  
26 full-time resident students for the 2004-05 academic year.

27 For the 2006-07 academic year, the governing boards of the state  
28 universities may implement an increase no greater than seven percent  
29 over tuition fees charged to full-time resident undergraduate students  
30 for the 2005-06 academic year. The governing boards of the regional  
31 universities and The Evergreen State College may implement an increase  
32 no greater than six percent over tuition fees charged to full-time  
33 resident undergraduate students for the 2005-06 academic year. The  
34 state board for community and technical colleges may implement an  
35 increase no greater than five percent over tuition fees charged to  
36 full-time resident students for the 2005-06 academic year.

37 (4) For the 2005-07 biennium, the state board for community and

1 technical colleges may increase tuition fees differentially based on  
2 student credit hour load at their discretion.

3 (5) For the 2005-07 biennium, the governing boards and the state  
4 board may adjust full-time operating fees for factors that may include  
5 time of day and day of week, as well as delivery method and campus, to  
6 encourage full use of the state's educational facilities and resources.

7 (6) Technical colleges may increase their building fee in excess of  
8 the fiscal growth factor until parity is reached with the community  
9 colleges.

10 (7) In addition to waivers granted under the authority of RCW  
11 28B.15.910, the governing boards and the state board may waive all or  
12 a portion of operating fees for any student. State general fund  
13 appropriations shall not be provided to replace tuition and fee revenue  
14 foregone as a result of waivers granted under this subsection.

15 (8) Pursuant to RCW 43.135.055, institutions of higher education  
16 receiving appropriations under sections 603 through 609 of this act are  
17 authorized to increase summer term tuition in excess of the fiscal  
18 growth factor during the 2005-07 biennium. Tuition levels increased  
19 pursuant to this subsection shall not exceed the per credit hour rate  
20 calculated from the academic year tuition levels adopted under this  
21 act.

22 (9) Pursuant to RCW 43.135.055, community and technical colleges  
23 are authorized to increase services and activities fee charges in  
24 excess of the fiscal growth factor during the 2005-2007 biennium. The  
25 services and activities fee charges increased pursuant to this  
26 subsection shall not exceed the maximum level authorized by the state  
27 board for community and technical colleges.

28 (10) Pursuant to RCW 43.135.055, the governing boards of the state  
29 universities, regional universities, and The Evergreen State College  
30 are authorized to increase application fees in excess of the fiscal  
31 growth factor during the 2005-2007 biennium. The application fee  
32 levels increased pursuant to this subsection shall not exceed fifty  
33 dollars per application.

34 NEW SECTION. **Sec. 602.** (1) The appropriations in sections 603  
35 through 609 of this act provide state general fund support for full-  
36 time equivalent student enrollments at each institution of higher

1 education. Listed below are the annual full-time equivalent student  
2 enrollments by institutions assumed in this act.

	2005-06	2006-07
	Annual	Annual
	Average	Average
3 University of Washington		
4		
5		
6		
7		
8 Main campus	33,107	33,357
9 Bothell branch	1,377	1,615
10 Tacoma branch	1,681	1,944
11		
12 Washington State University		
13		
14 Main campus	18,780	19,080
15 Tri-Cities branch	675	700
16 Vancouver branch	1,378	1,728
17		
18 Central Washington University	8,449	8,899
19 Eastern Washington University	8,719	9,169
20 The Evergreen State College	4,058	4,183
21 Western Washington University	11,589	11,789
22 State Board for Community and Technical Colleges	131,293	133,980
23		

24 (2) For the state universities, the number of full-time equivalent  
25 student enrollments enumerated in this section for the branch campuses  
26 are the minimum required enrollment levels for those campuses. At the  
27 start of an academic year, the governing board of a state university  
28 may transfer full-time equivalent student enrollments from the main  
29 campus to one or more branch campus. Intent notice shall be provided  
30 to the office of financial management and reassignment of funded  
31 enrollment is contingent upon satisfying data needs of the forecast  
32 division who is responsible to track and monitor state-supported  
33 college enrollment.

34 NEW SECTION. **Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND**

1 **TECHNICAL COLLEGES**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$562,715,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$571,520,000
4	Administrative Contingency Account--State	
5	Appropriation . . . . .	\$2,950,000
6	Higher Education Legacy Trust--State Appropriation . . . . .	\$58,272,000
7	TOTAL APPROPRIATION . . . . .	\$1,195,457,000

8 The appropriations in this section are subject to the following  
9 conditions and limitations:

10 (1) The technical colleges may increase tuition and fees in excess  
11 of the fiscal growth factor to conform with the percentage increase in  
12 community college operating fees.

13 (2) \$539,000 of the general fund--state appropriation for fiscal  
14 year 2006 and \$540,000 of the general fund--state appropriation for  
15 fiscal year 2007 are provided solely for the displaced homemakers  
16 program.

17 (3) Access to baccalaureate and graduate degree programs continues  
18 to be limited for residents of North Snohomish, Island, and Skagit  
19 counties. The higher education consortium created to serve the region  
20 has not been able to successfully address the region's access needs.  
21 The university center model of service delivery, centered on a  
22 community college campus with a single point of accountability, has  
23 proven more effective in developing degree programs and attracting  
24 students.

25 Therefore, the management and leadership responsibility for  
26 consortium operations are assigned to Everett community college.  
27 Everett community college shall collaborate with community and business  
28 leaders, other local community colleges, the public four-year  
29 institutions of higher education, and the higher education coordinating  
30 board to develop an educational plan for the North Snohomish, Island,  
31 and Skagit county region based on the university center model.

32 (4) \$50,000 of the general fund--state appropriation for fiscal  
33 year 2006 and \$50,000 of the general fund--state appropriation for  
34 fiscal year 2007 are provided solely for higher education student child  
35 care matching grants under chapter 28B.135 RCW.

36 (5) \$28,761,000 of the general fund--state appropriation for fiscal  
37 year 2006 and \$28,761,000 of the general fund--state appropriation for  
38 fiscal year 2007 are provided solely as special funds for training and

1 related support services, including financial aid, as specified in  
2 chapter 226, Laws of 1993 (employment and training for unemployed  
3 workers). Funding is provided to support up to 6,200 full-time  
4 equivalent students in each fiscal year.

5 (6) \$2,500,000 of the higher education legacy trust appropriation  
6 for fiscal year 2006 and \$2,500,000 of the higher education legacy  
7 trust appropriation for fiscal year 2007 are provided solely for basic  
8 skills education at community and technical colleges and community-  
9 based providers. These funds may be used to align or integrate adult  
10 basic education and English as a second language courses with  
11 vocational training.

12 (7) The appropriations for higher education employee compensation  
13 increases provided or referenced in this section and described in  
14 sections 946 through 977 of this act are estimated to increase the  
15 total per student funding by \$324 during the 2005-2007 biennium. This  
16 increase in total per student funding is in addition to the tuition  
17 revenues that will be generated and retained by the community and  
18 technical colleges as a result of the tuition increases that are  
19 authorized in section 601 of this act. Given these increases in core  
20 funding, the state board for community and technical colleges shall, by  
21 June 30, 2007, show demonstrable progress toward achieving the  
22 following six-year programmatic goals:

23 (a) Increase the number of academic students who are eligible to  
24 transfer to baccalaureate institutions;

25 (b) Increase the number of students prepared for work; and

26 (c) Increase the number of basic skills students who demonstrate  
27 substantive skill gain.

28 Specific six-year targets for the goals stated in this subsection  
29 shall be established by the state board and the office of financial  
30 management and shall be determined based on the per student funding  
31 level assumed in this act.

32 The state board for community and technical colleges shall provide  
33 a summary of the progress and ongoing efforts toward meeting the  
34 provisions of this section to the governor and the appropriate fiscal  
35 and policy committees of the legislature prior to November 1, 2006.

36 (8) \$13,165,000 of the higher education legacy trust appropriation  
37 for fiscal year 2006 and \$27,675,000 of the higher education legacy

1 trust appropriation for fiscal year 2007 are provided to increase  
2 budgeted enrollments by 2,438 student FTEs in academic year 2006 and an  
3 additional 2,687 student FTEs in academic year 2007.

4 (9) \$2,250,000 of the higher education legacy trust appropriation  
5 for fiscal year 2006 and \$2,250,000 of the higher education legacy  
6 trust appropriation for fiscal year 2007 are provided solely to  
7 increase salaries and related benefits for part-time faculty. The  
8 board shall report by January 30, 2006, to the office of financial  
9 management and the appropriate fiscal and policy committees of the  
10 legislature on (a) the distribution of state funds, and (b) wage  
11 adjustments for part-time faculty.

12 (10) \$2,250,000 of the higher education legacy trust appropriation  
13 for fiscal year 2006 and \$2,250,000 of the higher education legacy  
14 trust appropriation for fiscal year 2007 are provided solely for  
15 faculty salary increments and associated benefits and may be used in  
16 combination with salary and benefit savings from faculty turnover to  
17 provide salary increments and associated benefits for faculty who  
18 qualify through professional development and training. To the extent  
19 general salary increase funding is used to pay faculty increments, the  
20 general salary increase shall be reduced by the same amount.

21 NEW SECTION. **Sec. 604. FOR THE UNIVERSITY OF WASHINGTON**

22	General Fund--State Appropriation (FY 2006) . . . . .	\$341,066,000
23	General Fund--State Appropriation (FY 2007) . . . . .	\$348,766,000
24	General Fund--Private/Local Appropriation . . . . .	\$300,000
25	Accident Account--State Appropriation . . . . .	\$6,219,000
26	Medical Aid Account--State Appropriation . . . . .	\$6,153,000
27	Higher Education Legacy Trust--State Appropriation . . . . .	\$18,991,000
28	TOTAL APPROPRIATION . . . . .	\$721,495,000

29 The appropriations in this section are subject to the following  
30 conditions and limitations:

31 (1) \$165,000 of the general fund--state appropriation for fiscal  
32 year 2006 and \$165,000 of the general fund--state appropriation for  
33 fiscal year 2007 are provided solely for the implementation of the  
34 Puget Sound work plan and agency action item UW-01.

35 (2) \$300,000 of the general fund--private/local appropriation is  
36 provided solely for shellfish biotoxin monitoring as specified in  
37 chapter 263, Laws of 2003 (SSB 6073, shellfish license fee).

1 (3) \$4,718,000 of the higher education legacy trust appropriation  
2 for fiscal year 2006 and \$11,032,000 of the higher education legacy  
3 trust appropriation for fiscal year 2007 are provided as the state  
4 subsidy for 500 new enrollments at the Seattle campus, 400 new  
5 enrollments at the Tacoma campus, and 350 new enrollments at the  
6 Bothell campus.

7 (4) The appropriations for higher education employee compensation  
8 increases provided or referenced in this section and described in  
9 sections 946 through 977 of this act are estimated to increase the  
10 total per student funding by \$585 during the 2005-2007 biennium. This  
11 increase in total per student funding is in addition to the tuition  
12 revenues that will be generated and retained by the university as a  
13 result of the tuition increases that are authorized in section 601 of  
14 this act. Given these increases in core funding, the University of  
15 Washington shall, by June 30, 2007, show demonstrable progress toward  
16 achieving the following six-year programmatic goals:

17 (a) Improve time to degree as measured by the percent of admitted  
18 students who graduate within 125% of the credits required for a degree;

19 (b) Preserve access for low-income students as measured by the  
20 percentage of total degrees awarded to Pell Grant recipients;

21 (c) Improve freshman retention rates;

22 (d) Improve and sustain the quality of its degree programs as  
23 measured by the number of programs that are ranked in the top twenty  
24 nationally;

25 (e) Sustain the quality of its research programs as measured by the  
26 national ranking for federal research grants received; and

27 (f) Improve its ability to prepare students for the workforce as  
28 measured by the job placement or graduate school acceptance rates among  
29 graduates.

30 Specific six-year targets for the goals stated in this subsection  
31 shall be established by the university, the office of financial  
32 management, and the higher education coordinating board and shall be  
33 determined based on the per student funding level assumed in this act.

34 On or before October 1, 2006, the university shall submit to the  
35 higher education coordinating board a report that outlines the  
36 institution's progress and ongoing efforts toward meeting the  
37 provisions of this section. The higher education coordinating board

1 shall compile and analyze all responses and provide a summary to the  
2 governor and the appropriate fiscal and policy committees of the  
3 legislature prior to November 1, 2006.

4 (5) \$200,000 of the general fund--state appropriation for fiscal  
5 year 2006 is provided solely to assist the transition of University of  
6 Washington-Tacoma and University of Washington-Bothell from branch  
7 campuses serving upper-division students, to four-year campuses serving  
8 freshmen, sophomores, and upper-division students. Funds may be used  
9 to develop curricula, recruit new faculty, and expand student services.  
10 Consistent with the recommendations of the higher education  
11 coordinating board, UW-Tacoma and UW-Bothell may begin enrolling lower-  
12 division students beginning in fiscal year 2007.

13 (6) \$30,000 of the general fund--state appropriation for fiscal  
14 year 2006 and \$30,000 of the general fund--state appropriation for  
15 fiscal year 2007 are provided solely for research on labor and economic  
16 issues in Washington state through the Harry Bridges center.

17 (7) \$370,000 of the general fund--state appropriation for fiscal  
18 year 2006 and \$370,000 of the general fund--state appropriation for the  
19 fiscal year 2007 are provided solely to the Burke Museum to enhance the  
20 museum's public outreach capabilities.

21 (8) \$125,000 of the general fund--state appropriation for fiscal  
22 year 2006 and \$125,000 of the general fund--state appropriation for the  
23 fiscal year 2007 are provided solely to the institute for learning and  
24 brain sciences (ILABS) to develop a partnership, linking ILABS to  
25 policymakers, private sectors and user-groups.

26 (9) The University of Washington medical center shall provide  
27 inpatient and outpatient hospital services to offenders confined in  
28 department of corrections facilities at a rate no greater than the  
29 average rate that the department of corrections has negotiated with  
30 other community hospitals in Washington state.

31 **NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

32	General Fund--State Appropriation (FY 2006) . . . . .	\$209,959,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$214,271,000
34	Higher Education Legacy Trust--State Appropriation . . . . .	\$14,353,000
35	TOTAL APPROPRIATION . . . . .	\$438,583,000

36 The appropriations in this section are subject to the following  
37 conditions and limitations:

1 (1) \$210,000 of the general fund--state appropriation for fiscal  
2 year 2006 and \$210,000 of the general fund--state appropriation for  
3 fiscal year 2007 are provided solely for the implementation of the  
4 Puget Sound work plan and agency action item WSU-01.

5 (2) \$3,774,000 of the higher education legacy trust appropriation  
6 for fiscal year 2006 and \$8,965,000 of the higher education legacy  
7 trust appropriation for fiscal year 2007 are provided as the state  
8 subsidy for 600 new enrollments at the Pullman campus, 500 new  
9 enrollments at the Vancouver campus, and 25 new enrollments at the Tri-  
10 Cities campus.

11 (3) The appropriations for higher education employee compensation  
12 increases provided or referenced in this section and described in  
13 sections 946 through 977 of this act are estimated to increase the  
14 total per student funding by \$726 during the 2005-2007 biennium. This  
15 increase in total per student funding is in addition to the tuition  
16 revenues that will be generated and retained by the university as a  
17 result of the tuition increases that are authorized in section 601 of  
18 this act. Given these increases in core funding, Washington State  
19 University shall, by June 30, 2007, show demonstrable progress toward  
20 achieving the following six-year programmatic goals:

21 (a) Improve time to degree as measured by the percent of admitted  
22 students who graduate within 125% of the credits required for a degree;

23 (b) Preserve access for low-income students as measured by the  
24 percentage of total degrees awarded to Pell Grant recipients;

25 (c) Improve freshman retention rates;

26 (d) Improve and sustain the quality of its degree programs as  
27 measured by the number of programs that are ranked in the top twenty  
28 nationally;

29 (e) Sustain the quality of its research programs as measured by the  
30 national ranking for federal research grants received; and

31 (f) Improve its ability to prepare students for the workforce as  
32 measured by the job placement or graduate school acceptance rates among  
33 graduates.

34 Specific six-year targets for the goals stated in this subsection  
35 shall be established by the university, the office of financial  
36 management, and the higher education coordinating board and shall be  
37 determined based on the per student funding level assumed in this act.

1 On or before October 1, 2006 the university shall submit to the  
2 higher education coordinating board a report that outlines the  
3 institution's progress and ongoing efforts toward meeting the  
4 provisions of this section. The higher education coordinating board  
5 shall compile and analyze all responses and provide a summary to the  
6 governor and the appropriate fiscal and policy committees of the  
7 legislature prior to November 1, 2006.

8 (4) \$507,000 of the higher education legacy trust appropriation for  
9 fiscal year 2006 and \$1,014,000 of the higher education legacy trust  
10 appropriation for fiscal year 2007 are provided solely to expand the  
11 entering class of veterinary medicine students by 16 resident student  
12 FTEs each academic year during the 2005-2007 biennium.

13 (5) \$350,000 of the general fund--state appropriation for fiscal  
14 year 2006 is provided solely to assist the transition of Washington  
15 State University-Vancouver from a branch campus serving only upper-  
16 division students, to a four-year campus serving freshmen, sophomores,  
17 and upper-division students. Funds may be used to develop curricula,  
18 recruit new faculty, and expand student services. Consistent with the  
19 recommendations of the higher education coordinating board, WSU-  
20 Vancouver may begin enrolling lower-division students beginning in  
21 fiscal year 2007.

22 (6) The university shall give consideration to reprioritizing  
23 agricultural research funding to allow for expansion of the center for  
24 precision agricultural systems and development of the biologically  
25 intensive and organic agriculture program.

26 **NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

27	General Fund--State Appropriation (FY 2006) . . . . .	\$46,667,000
28	General Fund--State Appropriation (FY 2007) . . . . .	\$47,480,000
29	Higher Education Legacy Trust--State Appropriation . . . . .	\$9,201,000
30	TOTAL APPROPRIATION . . . . .	\$103,348,000

31 The appropriations in this section are subject to the following  
32 conditions and limitations:

33 (1) \$2,993,000 of the higher education legacy trust appropriation  
34 for fiscal year 2006 and \$5,986,000 of the higher education legacy  
35 trust appropriation for fiscal year 2007 are provided as the state  
36 subsidy for 900 new enrollments.

1 (2) The appropriations for higher education employee compensation  
2 increases provided or referenced in this section and described in  
3 sections 946 through 977 of this act are estimated to increase the  
4 total per student funding by \$480 during the 2005-2007 biennium. This  
5 increase in total per student funding is in addition to the tuition  
6 revenues that will be generated and retained by the university as a  
7 result of the tuition increases that are authorized in section 601 of  
8 this act. Given these increases in core funding, Eastern Washington  
9 University shall, by June 30, 2007, show demonstrable progress toward  
10 achieving the following six-year programmatic goals:

11 (a) Improve time to degree as measured by the percent of admitted  
12 students who graduate within 125% of the credits required for a degree;

13 (b) Preserve access for low-income students as measured by the  
14 percentage of total degrees awarded to Pell Grant recipients;

15 (c) Improve freshman retention rates;

16 (d) Improve and sustain the quality of its degree programs as  
17 measured by the number of programs that receive national accreditation;  
18 and

19 (e) Improve its ability to prepare students for the workforce as  
20 measured by the job placement or graduate school acceptance rates among  
21 graduates.

22 Specific six-year targets for the goals stated in this subsection  
23 shall be established by the university, the office of financial  
24 management, and the higher education coordinating board and shall be  
25 determined based on the per student funding level assumed in this act.

26 On or before October 1, 2006, the university shall submit to the  
27 higher education coordinating board a report that outlines the  
28 institution's progress and ongoing efforts toward meeting the  
29 provisions of this section. The higher education coordinating board  
30 shall compile and analyze all responses and provide a summary to the  
31 governor and the appropriate fiscal and policy committees of the  
32 legislature prior to November 1, 2006.

33 **NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

34	General Fund--State Appropriation (FY 2006) . . . . .	\$46,209,000
35	General Fund--State Appropriation (FY 2007) . . . . .	\$47,431,000
36	Higher Education Legacy Trust--State Appropriation . . . . .	\$8,979,000
37	TOTAL APPROPRIATION . . . . .	\$102,619,000

1 The appropriations in this section are subject to the following  
2 conditions and limitations:

3 (1) \$2,993,000 of the higher education legacy trust appropriation  
4 for fiscal year 2006 and \$5,986,000 of the higher education legacy  
5 trust appropriation for fiscal year 2007 are provided as the state  
6 subsidy for 900 new enrollments.

7 (2) The appropriations for higher education employee compensation  
8 increases provided or referenced in this section and described in  
9 sections 946 through 977 of this act are estimated to increase the  
10 total per student funding by \$499 during the 2005-2007 biennium. This  
11 increase in total per student funding is in addition to the tuition  
12 revenues that will be generated and retained by the university as a  
13 result of the tuition increases that are authorized in section 601 of  
14 this act. Given these increases in core funding, Central Washington  
15 University shall, by June 30, 2007, show demonstrable progress toward  
16 achieving the following six-year programmatic goals:

17 (a) Improve time to degree as measured by the percent of admitted  
18 students who graduate within 125% of the credits required for a degree;

19 (b) Preserve access for low-income students as measured by the  
20 percentage of total degrees awarded to Pell Grant recipients;

21 (c) Improve freshman retention rates;

22 (d) Improve and sustain the quality of its degree programs as  
23 measured by the number of programs that receive national accreditation;  
24 and

25 (e) Improve its ability to prepare students for the workforce as  
26 measured by the job placement or graduate school acceptance rates among  
27 graduates.

28 Specific six-year targets for the goals stated in this subsection  
29 shall be established by the university, the office of financial  
30 management, and the higher education coordinating board and shall be  
31 determined based on the per student funding level assumed in this act.

32 On or before October 1, 2006, the university shall submit to the  
33 higher education coordinating board a report that outlines the  
34 institution's progress and ongoing efforts toward meeting the  
35 provisions of this section. The higher education coordinating board  
36 shall compile and analyze all responses and provide a summary to the  
37 governor and the appropriate fiscal and policy committees of the  
38 legislature prior to November 1, 2006.

1 (3) For the 2006-07 and 2007-08 academic years, the legislature  
2 hereby increases the limit on total gross authorized operating fees  
3 revenue waived, exempted, or reduced by Central Washington University  
4 pursuant to RCW 28B.15.910 to eleven percent.

5 NEW SECTION. **Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

6	General Fund--State Appropriation (FY 2006) . . . . .	\$25,861,000
7	General Fund--State Appropriation (FY 2007) . . . . .	\$26,404,000
8	Higher Education Legacy Trust--State Appropriation . . . . .	\$2,546,000
9	TOTAL APPROPRIATION . . . . .	\$54,811,000

10 The appropriations in this section are subject to the following  
11 conditions and limitations:

12 (1) \$849,000 of the higher education legacy trust appropriation for  
13 fiscal year 2006 and \$1,697,000 of the higher education legacy trust  
14 appropriation for fiscal year 2007 are provided as the state subsidy  
15 for 250 new enrollments.

16 (2) The appropriations for higher education employee compensation  
17 increases provided or referenced in this section and described in  
18 sections 946 through 977 of this act are estimated to increase the  
19 total per student funding by \$482 during the 2005-2007 biennium. This  
20 increase in total per student funding is in addition to the tuition  
21 revenues that will be generated and retained by the college as a result  
22 of the tuition increases that are authorized in section 601 of this  
23 act. Given these increases in core funding, The Evergreen State  
24 College shall, by June 30, 2007, show demonstrable progress toward  
25 achieving the following six-year programmatic goals:

26 (a) Improve time to degree as measured by the percent of admitted  
27 students who graduate within 125% of the credits required for a degree;

28 (b) Preserve access for low-income students as measured by the  
29 percentage of total degrees awarded to Pell Grant recipients;

30 (c) Improve freshman retention rates;

31 (d) Improve and sustain the quality of its degree programs as  
32 measured by the number of programs that receive national accreditation;

33 (e) Improve its ability to prepare students for the workforce as  
34 measured by the job placement or graduate school acceptance rates among  
35 graduates.

36 Specific six-year targets for the goals stated in this subsection

1 shall be established by the university, the office of financial  
2 management, and the higher education coordinating board and shall be  
3 determined based on the per student funding level assumed in this act.

4 On or before October 1, 2006, the university shall submit to the  
5 higher education coordinating board a report that outlines the  
6 institution's progress and ongoing efforts toward meeting the  
7 provisions of this section. The higher education coordinating board  
8 shall compile and analyze all responses and provide a summary to the  
9 governor and the appropriate fiscal and policy committees of the  
10 legislature prior to November 1, 2006.

11 (3) \$40,000 of the general fund--state appropriation for fiscal  
12 year 2006 and \$10,000 of the general fund--state appropriation for  
13 fiscal year 2007 are provided solely for the Washington state institute  
14 for public policy to conduct an analysis of the availability, services,  
15 and effectiveness of programs in community and technical colleges that  
16 serve the educational needs of recent immigrant students who are not  
17 proficient in English and who are or have been enrolled in high school  
18 but have not met graduation requirements. The analysis shall include,  
19 but not be limited to, the type of programs provided, the geographic  
20 availability of programs, the identification of best practices, how the  
21 programs are funded, and the effectiveness of the programs. The  
22 analysis shall also include recommendations for improving the programs  
23 to better meet the needs of recent immigrant students and for expanding  
24 the availability of programs statewide. A report shall be submitted to  
25 the fiscal and education committees of the legislature, the  
26 superintendent of public instruction, and the state board for community  
27 and technical colleges by December 1, 2006.

28 NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

29	General Fund--State Appropriation (FY 2006) . . . . .	\$59,957,000
30	General Fund--State Appropriation (FY 2007) . . . . .	\$61,316,000
31	Higher Education Legacy Trust--State Appropriation . . . . .	\$4,234,000
32	TOTAL APPROPRIATION . . . . .	\$125,507,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations:

35 (1) \$1,348,000 of the higher education legacy trust appropriation  
36 for fiscal year 2006 and \$2,695,000 of the higher education legacy

1 trust appropriation for fiscal year 2007 are provided as the state  
2 subsidy for 400 new enrollments.

3 (2) The appropriations for higher education employee compensation  
4 increases provided or referenced in this section and described in  
5 sections 946 through 977 of this act are estimated to increase the  
6 total per student funding by \$486 during the 2005-2007 biennium. This  
7 increase in total per student funding is in addition to the tuition  
8 revenues that will be generated and retained by the university as a  
9 result of the tuition increases that are authorized in section 601 of  
10 this act. Given these increases in core funding, Western Washington  
11 University shall, by June 30, 2007, show demonstrable progress toward  
12 achieving the following six-year programmatic goals:

13 (a) Improve time to degree as measured by the percent of admitted  
14 students who graduate within 125% of the credits required for a degree;

15 (b) Preserve access for low-income students as measured by the  
16 percentage of total degrees awarded to Pell Grant recipients;

17 (c) Improve freshman retention rates;

18 (d) Improve and sustain the quality of its degree programs as  
19 measured by the number of programs that receive national accreditation;  
20 and

21 (e) Improve its ability to prepare students for the workforce as  
22 measured by the job placement or graduate school acceptance rates among  
23 graduates.

24 Specific six-year targets for the goals stated in this subsection  
25 shall be established by the university, the office of financial  
26 management, and the higher education coordinating board and shall be  
27 determined based on the per student funding level assumed in this act.

28 On or before October 1, 2006, the university shall submit to the  
29 higher education coordinating board a report that outlines the  
30 institution's progress and ongoing efforts toward meeting the  
31 provisions of this section. The higher education coordinating board  
32 shall compile and analyze all responses and provide a summary to the  
33 governor and the appropriate fiscal and policy committees of the  
34 legislature prior to November 1, 2006.

35 (3) Access to baccalaureate and graduate degree programs continues  
36 to be limited for residents of North Snohomish, Island, and Skagit  
37 counties. The higher education consortium created to serve the region  
38 has not been able to successfully address the region's access needs.

1 The university center model of service delivery, centered on a  
2 community college campus with a single point of accountability, has  
3 proven more effective in developing degree programs and attracting  
4 students.

5 Therefore, the management and leadership responsibility for  
6 consortium operations are assigned to Everett community college.  
7 Everett community college shall collaborate with community and business  
8 leaders, other local community colleges, the public four-year  
9 institutions of higher education, and the higher education coordinating  
10 board to develop an educational plan for the North Snohomish, Island,  
11 and Skagit county region based on the university center model.

12 NEW SECTION. **Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**  
13 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

14	General Fund--State Appropriation (FY 2006) . . . . .	\$2,339,000
15	General Fund--State Appropriation (FY 2007) . . . . .	\$2,321,000
16	General Fund--Federal Appropriation . . . . .	\$4,274,000
17	TOTAL APPROPRIATION . . . . .	\$8,934,000

18 NEW SECTION. **Sec. 611. FOR THE HIGHER EDUCATION COORDINATING**  
19 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

20	General Fund--State Appropriation (FY 2006) . . . . .	\$171,665,000
21	General Fund--State Appropriation (FY 2007) . . . . .	\$180,758,000
22	General Fund--Federal Appropriation . . . . .	\$13,060,000
23	Higher Education Legacy Trust--State Appropriation . . . . .	\$11,008,000
24	TOTAL APPROPRIATION . . . . .	\$376,491,000

25 The appropriations in this section are subject to the following  
26 conditions and limitations:

27 (1) \$299,000 of the general fund--state appropriation for fiscal  
28 year 2006 and \$308,000 of the general fund--state appropriation for  
29 fiscal year 2007 are provided solely for the western interstate  
30 commission for higher education.

31 (2) \$75,000 of the general fund--state appropriation for fiscal  
32 year 2006 and \$75,000 of the general fund--state appropriation for  
33 fiscal year 2007 are provided solely for higher education student child  
34 care matching grants under chapter 28B.135 RCW.

35 (3) \$25,000 of the general fund--state appropriation for fiscal  
36 year 2006 and \$25,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for the benefit of students who  
2 participate in college assistance migrant programs (CAMP) operating in  
3 Washington state. To ensure timely state aid, the board may establish  
4 a date after which no additional grants would be available for the  
5 2005-06 and 2006-07 academic years. The board shall disperse grants in  
6 equal amounts to eligible post-secondary institutions so that state  
7 money in all cases supplements federal CAMP awards.

8 (4) \$133,142,000 of the general fund--state appropriation for  
9 fiscal year 2006, \$142,293,000 of the general fund--state appropriation  
10 for fiscal year 2007, \$2,470,000 of the higher education legacy trust  
11 appropriation for fiscal year 2006, and \$5,467,000 of the higher  
12 education legacy trust appropriation for fiscal year 2007 are provided  
13 solely for the state need grant program. After April 1st of each  
14 fiscal year, up to one percent of the annual appropriation for the  
15 state need grant program may be transferred to the state work study  
16 program.

17 (5) \$250,000 of the general fund--state appropriation for fiscal  
18 year 2006 and \$250,000 of the general fund--state appropriation for  
19 fiscal year 2007 are provided solely to implement House Bill No. 1345  
20 (part-time student financial aid). If the bill is not enacted by June  
21 30, 2005, the amounts provided in this subsection shall lapse. It is  
22 the intent of the legislature that these amounts be made available only  
23 to eligible students who are attending or planning on attending a  
24 Washington state public community or technical college. The board may  
25 not expend more than the amount provided in this subsection to  
26 implement the bill.

27 (6) \$75,000 of the general fund--state appropriation for fiscal  
28 year 2006 and \$75,000 of the general fund--state appropriation for  
29 fiscal year 2007 are provided solely for the implementation of Second  
30 Substitute House Bill No. 1050 (foster care endowed scholarship  
31 program). The purpose of the program is to help students who are or  
32 were in foster care attend an institution of higher education in the  
33 state of Washington. If the bill is not enacted by June 30, 2005, the  
34 amounts provided in this subsection shall lapse.

35 (7) \$250,000 of the general fund--state appropriation for fiscal  
36 year 2006 and \$250,000 of the general fund--state appropriation for the  
37 fiscal year 2007 are provided solely to support the future teachers'  
38 conditional scholarship and loan repayment program.

1 (8) \$17,048,000 of the general fund--state appropriation for fiscal  
2 year 2006, \$17,048,000 of the general fund--state appropriation for  
3 fiscal year 2007, \$929,000 of the higher education legacy trust  
4 appropriation for fiscal year 2006, and \$2,142,000 of the higher  
5 education legacy trust appropriation for fiscal year 2007 are provided  
6 solely for the state work study program. After April 1st of each  
7 fiscal year, up to one percent of the annual appropriation for the  
8 state work study program may be transferred to the state need grant  
9 program. In addition to the administrative allowance in subsection  
10 (11) of this section, four percent of the general fund--state amount in  
11 this subsection may be expended for state work study program  
12 administration.

13 (9) \$2,867,000 of the general fund--state appropriation for fiscal  
14 year 2006 and \$2,867,000 of the general fund--state appropriation for  
15 fiscal year 2007 are provided solely for educational opportunity grants  
16 pursuant to chapter 233, Laws of 2003 (ESB 5676). The board may  
17 deposit sufficient funds from its appropriation into the state  
18 education trust fund as established in RCW 28B.10.821 to provide a one-  
19 year renewal of the grant for each new recipient of the educational  
20 opportunity grant award.

21 (10) \$2,208,319 of the general fund--state appropriation for fiscal  
22 year 2006 and \$2,206,293 of the general fund--state appropriation for  
23 fiscal year 2007 are provided solely to implement the Washington  
24 scholars program. Any Washington scholars program moneys not awarded  
25 by April 1st of each year may be transferred by the board to the  
26 Washington award for vocational excellence.

27 (11) \$794,000 of the general fund--state appropriation for fiscal  
28 year 2006 and \$846,000 of the general fund--state appropriation for  
29 fiscal year 2007 are provided solely to implement Washington award for  
30 vocational excellence program. Any Washington award for vocational  
31 program moneys not awarded by April 1st of each year may be transferred  
32 by the board to the Washington scholars program.

33 (12) \$246,000 of the general fund--state appropriation for fiscal  
34 year 2006 and \$246,000 of the general fund--state appropriation for  
35 fiscal year 2007 are provided solely for community scholarship matching  
36 grants of \$2,000 each and up to a total of \$46,000 per year in grants  
37 for nonprofit community organizations with preference given to  
38 organizations affiliated with scholarship America to administer the

1 scholarship matching grants. To be eligible for the matching grant, a  
 2 nonprofit community organization organized under section 501(c)(3) of  
 3 the internal revenue code must demonstrate that it has raised \$2,000 in  
 4 new moneys for college scholarships after the effective date of this  
 5 section. An organization may receive more than one \$2,000 matching  
 6 grant and preference shall be given to organizations affiliated with  
 7 scholarship America.

8 (13) Subject to state need grant service requirements pursuant to  
 9 chapter 28B.119 RCW, \$8,288,104 of the general fund--state  
 10 appropriation for fiscal year 2006 and \$8,215,321 of the general fund--  
 11 state appropriation for fiscal year 2007 are provided solely for the  
 12 Washington promise scholarship program. For fiscal year 2006, the  
 13 income eligibility for the graduating high school class of 2005 shall  
 14 not exceed one hundred twenty percent of the state median family income  
 15 adjusted for family size. The income eligibility for the graduating  
 16 high school class of 2004 shall be retained at one hundred thirty-five  
 17 percent of the state median family income adjusted for family size.

18 (14) \$2,872,000 of the general fund--state appropriation for fiscal  
 19 year 2006 and \$2,872,000 of the general fund--state appropriation for  
 20 fiscal year 2007 are provided solely for financial aid administration,  
 21 in addition to the four percent cost allowance provision for state work  
 22 study under subsection (5) of this section. These funds are provided  
 23 to administer all the financial aid and grant programs assigned to the  
 24 board by the legislature and administered by the agency. To the extent  
 25 the executive director finds the agency will not require the full sum  
 26 provided in this subsection, a portion may be transferred to supplement  
 27 financial grants-in-aid to eligible clients after notifying the board  
 28 and the office of financial management of the intended transfer.

29 NEW SECTION. **Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION**  
 30 **COORDINATING BOARD**

31	General Fund--State Appropriation (FY 2006) . . . . .	\$1,209,000
32	General Fund--State Appropriation (FY 2007) . . . . .	\$1,189,000
33	General Fund--Federal Appropriation . . . . .	\$53,849,000
34	TOTAL APPROPRIATION . . . . .	\$56,247,000

35 NEW SECTION. **Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**

1 **AND TECHNOLOGY INSTITUTE**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$1,479,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$1,493,000
4	TOTAL APPROPRIATION . . . . .	\$2,972,000

5 The appropriations in this section are subject to the following  
6 conditions and limitations:

7 The legislature finds that economic development, especially in  
8 emerging technologies, is critical to Spokane and Eastern Washington.  
9 The principal goal of the state's investment in the Spokane  
10 intercollegiate research and technology institute (SIRTI) is to bridge  
11 the gap between academic discovery and economic development, thereby  
12 leveraging the state's investment in research. However, it is  
13 essential to find appropriate ways to mark the success of these efforts  
14 by September 15, 2005.

15 SIRTI shall develop a plan for review by the house of  
16 representatives higher education committee and the senate labor,  
17 commerce, research and development committee, describing the agency's  
18 strategy and budget for commercial application of academic research.  
19 The plan shall include actions to be taken to select, develop,  
20 commercialize, and graduate clients. The plan shall also detail how to  
21 measure significant impacts to the overall economic climate of the  
22 Spokane region, including job creation and wages, that are attributable  
23 to SIRTI.

24 NEW SECTION. **Sec. 614. FOR THE WASHINGTON STATE ARTS COMMISSION**

25	General Fund--State Appropriation (FY 2006) . . . . .	\$2,304,000
26	General Fund--State Appropriation (FY 2007) . . . . .	\$2,311,000
27	General Fund--Federal Appropriation . . . . .	\$1,300,000
28	TOTAL APPROPRIATION . . . . .	\$5,915,000

29 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE HISTORICAL**  
30 **SOCIETY**

31	General Fund--State Appropriation (FY 2006) . . . . .	\$2,748,000
32	General Fund--State Appropriation (FY 2007) . . . . .	\$2,556,000
33	TOTAL APPROPRIATION . . . . .	\$5,304,000

34 The appropriations in this section are subject to the following  
35 condition and limitation: \$33,000 of the general fund--state

1 appropriation for fiscal year 2006 is provided solely for the advisory  
2 committee and staff associated with the Lewis and Clark Corps of  
3 Discovery II bicentennial commemoration.

4 NEW SECTION. **Sec. 616. FOR THE EASTERN WASHINGTON STATE**  
5 **HISTORICAL SOCIETY**

6	General Fund--State Appropriation (FY 2006) . . . . .	\$1,539,000
7	General Fund--State Appropriation (FY 2007) . . . . .	\$1,562,000
8	TOTAL APPROPRIATION . . . . .	\$3,101,000

9 NEW SECTION. **Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND**

10	General Fund--State Appropriation (FY 2006) . . . . .	\$5,036,000
11	General Fund--State Appropriation (FY 2007) . . . . .	\$5,018,000
12	General Fund--Private/Local Appropriation . . . . .	\$1,335,000
13	TOTAL APPROPRIATION . . . . .	\$11,389,000

14 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE DEAF**

15	General Fund--State Appropriation (FY 2006) . . . . .	\$8,279,000
16	General Fund--State Appropriation (FY 2007) . . . . .	\$8,256,000
17	General Fund--Private/Local Appropriation . . . . .	\$232,000
18	TOTAL APPROPRIATION . . . . .	\$16,767,000

(End of part)

PART VII

SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2006)	\$654,444,000
General Fund--State Appropriation (FY 2007)	\$708,119,000
State Building Construction Account--State Appropriation	\$3,924,000
State Taxable Building Construction Account--State Appropriation	\$139,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$1,215,000
Debt-limit General Fund Bond Retirement Account--State Appropriation	\$4,113,000
Debt-Limit Reimbursable Bond Retirement Account--State Appropriation	\$2,583,000
TOTAL APPROPRIATION	\$1,374,537,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2006 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2006.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account--State Appropriation	\$29,411,000
Accident Account--State Appropriation	\$5,111,000
Medical Aid Account--State Appropriation	\$5,111,000
TOTAL APPROPRIATION	\$39,633,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT**

1 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**  
2 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

3	General Fund--State Appropriation (FY 2006) . . . . .	\$24,588,000
4	General Fund--State Appropriation (FY 2007) . . . . .	\$26,743,000
5	Nondebt-Limit Reimbursable Bond Retirement	
6	Account--State Appropriation . . . . .	\$131,844,000
7	TOTAL APPROPRIATION . . . . .	\$183,175,000

8       The appropriations in this section are subject to the following  
9 conditions and limitations: The general fund appropriation is for  
10 deposit into the nondebt-limit general fund bond retirement account.

11 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**  
12 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**  
13 **BOND SALE EXPENSES**

14	General Fund--State Appropriation (FY 2006) . . . . .	\$1,357,000
15	General Fund--State Appropriation (FY 2007) . . . . .	\$1,357,000
16	State Building Construction Account--State Appropriation . . . . .	\$1,080,000
17	State Taxable Building Construction	
18	Account--State Appropriation . . . . .	\$13,000
19	Gardner-Evans Higher Education Construction	
20	Account--State Appropriation . . . . .	\$452,000
21	TOTAL APPROPRIATION . . . . .	\$4,259,000

22 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
23 **FIRE CONTINGENCY POOL**

24	Disaster Response Account--State Appropriation . . . . .	\$4,000,000
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25       The sum of \$4,000,000 is appropriated from the disaster response  
26 account for the purpose of making allocations to the Washington state  
27 patrol for fire mobilizations costs or to the department of natural  
28 resources for fire suppression costs.

29 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
30 **EMERGENCY FUND**

31	General Fund--State Appropriation (FY 2006) . . . . .	\$1,100,000
32	General Fund--State Appropriation (FY 2007) . . . . .	\$1,100,000
33	TOTAL APPROPRIATION . . . . .	\$2,200,000

1 The appropriations in this section are subject to the following  
2 conditions and limitations:

3 (1) The appropriations in this section are for the governor's  
4 emergency fund for the critically necessary work of any agency.

5 (2) \$250,000 of the general fund--state appropriation for fiscal  
6 year 2006 and \$250,000 of the general fund--state appropriation for  
7 fiscal year 2007 are provided solely for grants to state agencies or  
8 units of local government that experience increased costs in complying  
9 with public records disclosure requests as a result of Second  
10 Substitute House Bill No. 1758 (public disclosure). The office of  
11 financial management shall determine the amounts of the grants to be  
12 provided pursuant to this subsection. If the bill is not enacted by  
13 June 30, 2005, the amounts provided in this subsection shall lapse.

14 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
15 **SEX OFFENDER SENTENCING IMPACT**

16	General Fund--State Appropriation (FY 2006) . . . . .	\$45,000
17	General Fund--State Appropriation (FY 2007) . . . . .	\$792,000
18	TOTAL APPROPRIATION . . . . .	\$837,000

19 The appropriations in this section are subject to the following  
20 conditions and limitations: The appropriations are provided solely for  
21 distribution to counties to pay for the costs of implementing chapter  
22 176, Laws of 2004, which makes amendments to the special sex offender  
23 sentencing alternative.

24 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
25 **SMALL AGENCY INFORMATION TECHNOLOGY POOL**

26	General Fund--State Appropriation (FY 2006) . . . . .	\$500,000
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27 The appropriation in this section is subject to the following  
28 conditions and limitations: The appropriation is provided solely for  
29 deposit into the data processing revolving account.

30 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
31 **CAPITOL BUILDING CONSTRUCTION ACCOUNT**

32	General Fund--State Appropriation (FY 2006) . . . . .	\$600,000
33	General Fund--State Appropriation (FY 2007) . . . . .	\$1,000,000
34	TOTAL APPROPRIATION . . . . .	\$1,600,000

1 The appropriations in this section are subject to the following  
 2 conditions and limitations: The appropriations are provided solely for  
 3 deposit in the capitol building construction account.

4 NEW SECTION. **Sec. 710. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**  
 5 **AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE**

6 Health Services Account--State Appropriation . . . . . \$48,000,000

7 The appropriation in this section is subject to the following  
 8 conditions and limitations: The director of the department of  
 9 community, trade, and economic development shall distribute the  
 10 appropriations to the following counties and health districts in the  
 11 amounts designated:

12	<b>Health District</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2005-07</b>
13				<b>Biennium</b>
14	Adams County Health District	\$30,951	\$30,951	\$61,902
15	Asotin County Health District	\$67,714	\$67,714	\$135,428
16	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
17	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
18	Clallam County Health and Human Services Department	\$141,752	\$141,752	\$283,504
19	Southwest Washington Health District	\$1,084,473	\$1,084,473	\$2,168,946
20	Columbia County Health District	\$40,529	\$40,529	\$81,058
21	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
22	Garfield County Health District	\$15,028	\$15,028	\$30,056
23	Grant County Health District	\$118,595	\$118,595	\$237,191
24	Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
25	Island County Health Department	\$91,892	\$91,892	\$183,784
26	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
27	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
28	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
29	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
30	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
31	Lewis County Health Department	\$105,801	\$105,801	\$211,602
32	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
33	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
34	Okanogan County Health District	\$63,458	\$63,458	\$126,916

1	Pacific County Health Department	\$77,427	\$77,427	\$154,854
2	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
3	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
4	Skagit County Health Department	\$223,927	\$223,927	\$447,854
5	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
6	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
7	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
8	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
9	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
10	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
11	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
12	Whitman County Health Department	\$78,733	\$78,733	\$157,466
13	Yakima Health District	\$623,797	\$623,797	\$1,247,594
14	<b>TOTAL APPROPRIATIONS</b>	<b>\$24,000,000</b>	<b>\$24,000,000</b>	<b>\$48,000,000</b>

15        NEW SECTION.    **Sec. 711. BELATED CLAIMS.**    The agencies and  
16 institutions of the state may expend moneys appropriated in this act,  
17 upon approval of the office of financial management, for the payment of  
18 supplies and services furnished to the agency or institution in prior  
19 fiscal biennia.

20        NEW SECTION.    **Sec. 712.**    A new section is added to 2003 1st sp.s.  
21 c 25 (uncodified) to read as follows:

22    **FOR THE OFFICE OF FINANCIAL MANAGEMENT--INDIVIDUAL DEVELOPMENT ACCOUNT**

23	General Fund--State Appropriation (FY 2006) . . . . .	\$510,000
24	General Fund--State Appropriation (FY 2007) . . . . .	\$511,000
25	TOTAL APPROPRIATION . . . . .	\$1,021,000

26        The appropriations in this section are subject to the following  
27 conditions and limitations: The appropriations in this section are  
28 provided solely for deposit in the individual development account. If  
29 House Bill No. 1408 is not enacted by June 30, 2005, these amounts  
30 shall lapse.

31        NEW SECTION.    **Sec. 713. FOR THE DEPARTMENT OF RETIREMENT**  
32 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS.**    The appropriations in  
33 this section are subject to the following conditions and limitations:  
34 The appropriations for the law enforcement officers' and firefighters'

1 retirement system shall be made on a monthly basis beginning July 1,  
2 2005, consistent with chapter 41.45 RCW, and the appropriations for the  
3 judges and judicial retirement systems shall be made on a quarterly  
4 basis consistent with chapters 2.10 and 2.12 RCW.

5 (1) There is appropriated for state contributions to the law  
6 enforcement officers' and fire fighters' retirement system:

7	General Fund--State Appropriation (FY 2006) . . . . .	\$31,400,000
8	General Fund--State Appropriation (FY 2007) . . . . .	\$37,400,000

9 (2) There is appropriated for contributions to the judicial  
10 retirement system:

11	General Fund--State Appropriation (FY 2006) . . . . .	\$6,000,000
12	General Fund--State Appropriation (FY 2007) . . . . .	\$6,000,000

13 (3) There is appropriated for contributions to the judges  
14 retirement system:

15	General Fund--State Appropriation (FY 2006) . . . . .	\$300,000
16	General Fund--State Appropriation (FY 2007) . . . . .	\$300,000
17	TOTAL APPROPRIATION . . . . .	\$81,400,000

18 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
19 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

20	General Fund--State Appropriation (FY 2006) . . . . .	\$6,840,000
21	General Fund--State Appropriation (FY 2007) . . . . .	\$6,840,000
22	TOTAL APPROPRIATION . . . . .	\$13,680,000

23 The appropriations in this section are subject to the following  
24 conditions and limitations: The appropriations in this section are  
25 provided solely for deposit in the education technology revolving  
26 account for the purpose of covering ongoing operational and equipment  
27 replacement costs incurred by the K-20 educational network program in  
28 providing telecommunication services to network participants.

29 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
30 **BASE REALIGNMENT AND CLOSURE ASSISTANCE**

31	General Fund--State Appropriation (FY 2006) . . . . .	\$150,000
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32 The appropriation in this section is subject to the following  
33 conditions and limitations: The appropriation is provided solely for  
34 grants to support projects in Island county, Kitsap county, Pierce  
35 county, Snohomish county, and Spokane county when a military base in

1 that county is at risk of being identified for closure on the federal  
2 base realignment and closure process. The office of financial  
3 management shall establish a process for selecting projects for funding  
4 based on criteria used to determine the federal base realignment and  
5 closure list and recommendations by the department of community, trade,  
6 and economic development and the military department. Final allocation  
7 of the grants shall be at the discretion and with the approval of the  
8 director of the office of financial management.

9 NEW SECTION. **Sec. 716. FOR THE GOVERNOR--LIFE SCIENCES DISCOVERY**  
10 **FUND AUTHORITY**

11 General Fund--State Appropriation (FY 2006) . . . . . \$500,000

12 The appropriation in this section is subject to the following  
13 conditions and limitations:

14 (1) The appropriation in this section is provided solely for a  
15 grant to the life sciences discovery fund authority to be used in  
16 accordance with Second Substitute House Bill No. 1623 or Engrossed  
17 Second Substitute Senate Bill No. 5581 (life sciences). If neither  
18 bill is enacted by June 30, 2005, the appropriation in this section  
19 shall lapse.

20 (2) The amount provided in this section constitutes a loan from the  
21 state general fund to the life sciences discovery fund authority  
22 pending the state's receipt of strategic contribution payments under  
23 the master settlement agreement with the major manufacturers of  
24 tobacco. Upon the state's receipt of the first such strategic  
25 contribution payment in 2008, the authority shall reimburse the state  
26 general fund with revenues from such payments that are made available  
27 to the authority.

28 NEW SECTION. **Sec. 717. DOUBLE-FILLED PERSONNEL POSITIONS.** From  
29 appropriations in this act, the director of financial management shall  
30 reduce general fund--state appropriations for fiscal year 2006 by  
31 \$1,333,000 and general fund--state appropriations for fiscal year 2007  
32 by \$2,667,000 to reflect the elimination of double-filled personnel  
33 positions in which two or more persons occupy the same position in the  
34 state personnel system. The allotment reductions shall be placed in  
35 unallotted status and remain unexpended.

1        NEW SECTION.    **Sec. 718.    CRITICAL HIGH DEMAND EMPLOYEES.**    From  
2 the funds placed in unallotted status under section 717 of this act,  
3 the office of financial management may allot up to \$1,333,000 for  
4 fiscal year 2006 and \$2,667,000 for fiscal year 2007 to meet critical  
5 staffing needs of state agencies, particularly need for employees with  
6 high degrees of technical skill in high-demand nonmanagerial  
7 occupations. In no event may any of these funds be used, directly or  
8 indirectly, to increase employee compensation.

9        NEW SECTION.    **Sec. 719.    FOR THE OFFICE OF THE GOVERNOR--JOINT**  
10 **TASK FORCE ON MENTAL HEALTH**

11	General Fund--State Appropriation (FY 2006) . . . . .	\$25,000
12	General Fund--State Appropriation (FY 2007) . . . . .	\$25,000
13	TOTAL APPROPRIATION . . . . .	\$50,000

14        The appropriations in this section are subject to the following  
15 conditions and limitations: Amounts are provided for the task force  
16 created in House Bill No. 1290 (community mental health). If House  
17 Bill No. 1290 is not enacted by June 30, 2005, the amounts provided in  
18 this section shall lapse.

19        NEW SECTION.    **Sec. 720.    STRATEGIC PURCHASING STRATEGY.**    (1) The  
20 office of financial management shall work with the appropriate state  
21 agencies to generate savings of \$50,000,000, of which \$25,000,000 shall  
22 be from the state general fund, that can arise from a strategic  
23 purchasing strategy. From appropriations in this act, the office of  
24 financial management shall reduce general fund--state allotments by \$8  
25 million for fiscal year 2006 and by \$17 million for fiscal year 2007 to  
26 reflect the savings from the strategic purchasing strategy. The  
27 allotment reductions shall be placed in unallotted status and remain  
28 unexpended.

29        (2) The department of general administration, with the assistance  
30 of the department of information services and the department of  
31 printing and in consultation with the office of financial management,  
32 shall conduct an analysis of the state's purchasing processes to  
33 identify the most reasonable strategy of attaining a statewide savings  
34 target of \$50,000,000 without affecting direct program activities. The  
35 analysis shall identify savings by agency and fund that will result  
36 from the implementation of a strategic purchasing strategy. The

1 results of this analysis shall then be provided to the director of  
2 financial management by October 1, 2005, so the director may use it as  
3 the basis to achieve the savings identified in subsection (1) of this  
4 section.

5 (3) Before the purchase of goods and services, all state agencies  
6 and higher education institutions shall first consider the utilization  
7 of current or existing master contracts. All state agencies and higher  
8 education institutions shall strive to use master contracts when that  
9 use is consistent with the agency's requirements and purchase is  
10 financially cost effective.

11 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
12 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

13 General Fund--State Appropriation (FY 2006) . . . . . \$70,000

14 The appropriation in this section is subject to the following  
15 conditions and limitations: The director of financial management shall  
16 distribute the appropriation to the following county in the amounts  
17 designated for extraordinary criminal justice costs:

18 Grant . . . . . \$70,000

19 NEW SECTION. **Sec. 722. INCENTIVE SAVINGS--FY 2006.** The sum of  
20 one hundred million dollars or so much thereof as may be available on  
21 June 30, 2006, from the total amount of unspent fiscal year 2006 state  
22 general fund appropriations is appropriated for the purposes of RCW  
23 43.79.460 in the manner provided in this section.

24 (1) Of the total appropriated amount, one-half of that portion that  
25 is attributable to incentive savings, not to exceed twenty-five million  
26 dollars, is appropriated to the savings incentive account for the  
27 purpose of improving the quality, efficiency, and effectiveness of  
28 agency services, and credited to the agency that generated the savings.

29 (2) The remainder of the total amount, not to exceed seventy-five  
30 million dollars, is appropriated to the education savings account.

31 NEW SECTION. **Sec. 723. INCENTIVE SAVINGS--FY 2007.** The sum of  
32 one hundred million dollars or so much thereof as may be available on  
33 June 30, 2007, from the total amount of unspent fiscal year 2007 state  
34 general fund appropriations is appropriated for the purposes of RCW  
35 43.79.460 in the manner provided in this section.

1 (1) Of the total appropriated amount, one-half of that portion that  
2 is attributable to incentive savings, not to exceed twenty-five million  
3 dollars, is appropriated to the savings incentive account for the  
4 purpose of improving the quality, efficiency, and effectiveness of  
5 agency services, and credited to the agency that generated the savings.

6 (2) The remainder of the total amount, not to exceed seventy-five  
7 million dollars, is appropriated to the education savings account.

8 NEW SECTION. **Sec. 724. NONREPRESENTED EMPLOYEE SALARY COST OF**  
9 **LIVING ADJUSTMENT**

10	General Fund--State Appropriation (FY 2006) . . . . .	\$11,425,000
11	General Fund--State Appropriation (FY 2007) . . . . .	\$19,628,000
12	General Fund--Federal Appropriation . . . . .	\$7,566,000
13	General Fund--Private/Local Appropriation . . . . .	\$727,000
14	Dedicated Funds and Accounts Appropriation . . . . .	\$24,203,000
15	TOTAL APPROPRIATION . . . . .	\$63,549,000

16 The appropriations in this section shall be expended solely for the  
17 purposes designated in this section and are subject to the following  
18 conditions and limitations:

19 (1) In addition to the purposes set forth in subsections (2) and  
20 (3) of this section, appropriations in this section are provided solely  
21 for a 3.2% increase effective September 1, 2005, for all classified  
22 employees, except those represented by a collective bargaining unit  
23 under the personnel system reform act of 2002, and except the  
24 certificated employees covered by the provisions of Initiative Measure  
25 No. 732. Also included are employees in the Washington management  
26 service, and exempt employees under the jurisdiction of the personnel  
27 resources board or the director of personnel, as applicable.

28 (2) The appropriations are also sufficient to fund a 3.2% salary  
29 increase effective September 1, 2005, for general government,  
30 legislative, and judicial employees exempt from merit system rules  
31 whose maximum salaries are not set by the commission on salaries for  
32 elected officials.

33 (3) Appropriations in this section are provided for a 1.6% salary  
34 increase effective September 1, 2006, until June 30, 2007, for all  
35 classified employees, except those represented by a collective  
36 bargaining unit under the personnel system reform act of 2002, and  
37 except the certificated employees covered by the provisions of

1 Initiative Measure No. 732. Also included are employees in the  
2 Washington management service, and exempt employees under the  
3 jurisdiction of the personnel resources board or the director of  
4 personnel, as applicable. The appropriations are also sufficient to  
5 fund a 1.6% salary increase effective September 1, 2006, until June 30,  
6 2007, for general government, legislative, and judicial employees  
7 exempt from merit system rules whose maximum salaries are not set by  
8 the commission on salaries for elected officials.

9 (4)(a) No salary increase may be paid under this section to any  
10 person whose salary has been Y-rated pursuant to rules adopted by the  
11 personnel resources board or the director of personnel, as applicable.

12 (b) The average salary increases paid under this section to agency  
13 officials whose maximum salaries are established by the committee on  
14 agency official salaries shall not exceed the average increases  
15 provided under subsections (2) and (3) of this section.

16 The office of financial management shall update agency  
17 appropriations schedules to reflect the addition of the funding in this  
18 section, as identified by agency and account in LEAP document 2005-33  
19 dated April 3, 2005.

20 **NEW SECTION. Sec. 725. NONREPRESENTED EMPLOYEE SALARY SURVEY**

21	General Fund--State Appropriation (FY 2006) . . . . .	\$4,169,000
22	General Fund--State Appropriation (FY 2007) . . . . .	\$4,412,000
23	General Fund--Federal Appropriation . . . . .	\$1,655,000
24	General Fund--Private/Local Appropriation . . . . .	\$314,000
25	Dedicated Funds and Accounts Appropriation . . . . .	\$6,257,000
26	TOTAL APPROPRIATION . . . . .	\$16,807,000

27 The appropriations in this section shall be expended solely for the  
28 purposes designated in this section and are subject to the following  
29 conditions and limitations: For state employees, except those  
30 represented by a bargaining unit under the personnel system reform act  
31 of 2002, funding is provided for implementation of the department of  
32 personnel's 2002 salary survey, for job classes more than 25% below  
33 market rates.

34 The office of financial management shall update agency  
35 appropriations schedules to reflect the addition of the funding in this  
36 section, as identified by agency and account in LEAP document 2005-78Z  
37 dated March 28, 2005.

1            NEW SECTION.    **Sec. 726. CLASSIFICATION REVISIONS**

2	General Fund--State Appropriation (FY 2006) . . . . .	\$566,000
3	General Fund--State Appropriation (FY 2007) . . . . .	\$1,144,000
4	General Fund--Federal Appropriation . . . . .	\$250,000
5	General Fund--Private/Local Appropriation . . . . .	\$3,000
6	Dedicated Funds and Accounts Appropriation . . . . .	\$1,023,000
7	TOTAL APPROPRIATION . . . . .	\$2,976,000

8            The appropriations in this section, or as much thereof as may be  
9 necessary, shall be expended solely for the purposes designated in this  
10 section and are subject to the following conditions and limitations:  
11 Funding is provided for partial implementation of classification  
12 consolidation and revisions under the personnel system reform act of  
13 2002. Groups 2 and 3 of the department of personnel's initial class  
14 consolidation plan are affected.

15            The office of financial management shall update agency  
16 appropriations schedules to reflect the addition of the funding in this  
17 section, as identified by agency and account in OFM document 2005-07-8Q  
18 dated March 21, 2005.

19            NEW SECTION.    **Sec. 727. COLLECTIVE BARGAINING AGREEMENTS.**

20 Provisions of the collective bargaining agreements contained in  
21 sections 728 through 734 are described in general terms. Only major  
22 economic terms are included in the descriptions. These descriptions do  
23 not contain the complete contents of the agreements.

24            NEW SECTION.    **Sec. 728. COLLECTIVE BARGAINING AGREEMENT--WFSE**

25	General Fund--State Appropriation (FY 2006) . . . . .	\$21,730,000
26	General Fund--State Appropriation (FY 2007) . . . . .	\$31,698,000
27	General Fund--Federal Appropriation . . . . .	\$23,895,000
28	General Fund--Private/Local Appropriation . . . . .	\$2,233,000
29	Dedicated Funds and Accounts Appropriation . . . . .	\$37,693,000
30	TOTAL APPROPRIATION . . . . .	\$117,229,000

31            The appropriations in this section shall be expended solely for the  
32 purposes designated in this section and are subject to the following  
33 conditions and limitations: Funding is provided for the collective  
34 bargaining agreement reached between the governor and the Washington  
35 federation of state employees under the personnel system reform act of  
36 2002. For employees covered under this agreement, funding is provided

1 for a 3.2% salary increase effective July 1, 2005. Funding is also  
2 provided for a 1.6% increase effective July 1, 2006, until June 30,  
3 2007, and for implementation of the department of personnel 2002 salary  
4 survey for classes more than 25% below market rates.

5 The office of financial management shall update agency  
6 appropriations schedules to reflect the addition of the funding in this  
7 section, as identified by agency and account in LEAP document 2005-780  
8 dated March 28, 2005.

9 NEW SECTION. **Sec. 729. COLLECTIVE BARGAINING AGREEMENT--WPEA**

10	General Fund--State Appropriation (FY 2006) . . . . .	\$1,859,000
11	General Fund--State Appropriation (FY 2007) . . . . .	\$2,750,000
12	General Fund--Federal Appropriation . . . . .	\$647,000
13	General Fund--Private/Local Appropriation . . . . .	\$74,000
14	Dedicated Funds and Accounts Appropriation . . . . .	\$5,198,000
15	TOTAL APPROPRIATION . . . . .	\$10,528,000

16 The appropriations in this section shall be expended solely for the  
17 purposes designated in this section and are subject to the following  
18 conditions and limitations: Funding is provided for the collective  
19 bargaining agreement reached between the governor and the Washington  
20 public employees association under the personnel system reform act of  
21 2002. For employees covered under this agreement, funding is provided  
22 for a 3.2% salary increase effective July 1, 2005. Funding is also  
23 provided for a 1.6% increase effective July 1, 2006, until June 30,  
24 2007, and for implementation of the department of personnel 2002 salary  
25 survey for classes more than 25% below market rates.

26 The office of financial management shall update agency  
27 appropriations schedules to reflect the addition of the funding in this  
28 section, as identified by agency and account in LEAP document 2005-781  
29 dated March 28, 2005.

30 NEW SECTION. **Sec. 730. COLLECTIVE BARGAINING AGREEMENT--UFCW**

31	Dedicated Funds and Accounts Appropriation . . . . .	\$1,138,000
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32 The appropriations in this section shall be expended solely for the  
33 purposes designated in this section and are subject to the following  
34 conditions and limitations: Funding is provided for the collective  
35 bargaining agreement reached between the governor and the united food  
36 and commercial workers under the personnel system reform act of 2002.

1 For employees covered under this agreement, funding is provided for a  
2 3.2% salary increase effective July 1, 2005. Funding is also provided  
3 for a 1.6% increase effective July 1, 2006, until June 30, 2007.

4 NEW SECTION. **Sec. 731. COLLECTIVE BARGAINING AGREEMENT--**  
5 **TEAMSTERS**

6	General Fund--State Appropriation (FY 2006) . . . . .	\$7,325,000
7	General Fund--State Appropriation (FY 2007) . . . . .	\$13,613,000
8	Dedicated Funds and Accounts Appropriation . . . . .	\$3,000
9	TOTAL APPROPRIATION . . . . .	\$20,941,000

10 The appropriations in this section shall be expended solely for the  
11 purposes designated in this section and are subject to the following  
12 conditions and limitations: Funding is provided for the collective  
13 bargaining agreement reached between the governor and the brotherhood  
14 of teamsters under the personnel system reform act of 2002. For  
15 employees covered under this agreement, funding is provided for a 3.2%  
16 salary increase effective July 1, 2005. Funding is also provided for  
17 a 2.9% increase effective July 1, 2006, until June 30, 2007, and for  
18 implementation of the department of personnel 2002 salary survey for  
19 classes more than 25% below market rates.

20 NEW SECTION. **Sec. 732. COLLECTIVE BARGAINING AGREEMENT--**  
21 **COALITION**

22	General Fund--State Appropriation (FY 2006) . . . . .	\$701,000
23	General Fund--State Appropriation (FY 2007) . . . . .	\$926,000
24	General Fund--Federal Appropriation . . . . .	\$86,000
25	General Fund--Private/Local Appropriation . . . . .	\$225,000
26	Dedicated Funds and Accounts Appropriation . . . . .	\$3,245,000
27	TOTAL APPROPRIATION . . . . .	\$5,183,000

28 The appropriations in this section shall be expended solely for the  
29 purposes designated in this section and are subject to the following  
30 conditions and limitations: Funding is provided for the collective  
31 bargaining agreement reached between the governor and the coalition  
32 under the personnel system reform act of 2002. For employees covered  
33 under this agreement, funding is provided for a 3.2% salary increase  
34 effective July 1, 2005. Funding is also provided for a 1.6% increase  
35 effective July 1, 2006, until June 30, 2007, and for implementation of

1 the department of personnel 2002 salary survey for classes more than  
2 25% below market rates.

3 The office of financial management shall update agency  
4 appropriations schedules to reflect the addition of the funding in this  
5 section, as identified by agency and account in LEAP document 2005-786  
6 dated March 28, 2005.

7 **NEW SECTION. Sec. 733. COLLECTIVE BARGAINING AGREEMENT--IFPTE**

8 General Fund--State Appropriation (FY 2006) . . . . .	\$96,000
9 General Fund--State Appropriation (FY 2007) . . . . .	\$145,000
10 TOTAL APPROPRIATION . . . . .	\$241,000

11 The appropriations in this section shall be expended solely for the  
12 purposes designated in this section and are subject to the following  
13 conditions and limitations: Funding is provided for the collective  
14 bargaining agreement reached between the governor and the international  
15 federation of professional and technical engineers local 17 under the  
16 personnel system reform act of 2002. For employees covered under this  
17 agreement, funding is provided for a 3.2% salary increase effective  
18 July 1, 2005. Funding is also provided for a 1.6% increase effective  
19 July 1, 2006, until June 30, 2007, and for implementation of the  
20 department of personnel 2002 salary survey for classes more than 25%  
21 below market rates.

22 **NEW SECTION. Sec. 734. COLLECTIVE BARGAINING AGREEMENT--SEIU-**  
23 **1199**

24 General Fund--State Appropriation (FY 2006) . . . . .	\$1,656,000
25 General Fund--State Appropriation (FY 2007) . . . . .	\$2,260,000
26 General Fund--Federal Appropriation . . . . .	\$1,574,000
27 General Fund--Private/Local Appropriation . . . . .	\$188,000
28 TOTAL APPROPRIATION . . . . .	\$5,678,000

29 The appropriations in this section shall be expended solely for the  
30 purposes designated in this section and are subject to the following  
31 conditions and limitations: Funding is provided for the collective  
32 bargaining agreement reached between the governor and the service  
33 employees international union, local 1199 NW under the personnel system  
34 reform act of 2002. For employees covered under this agreement,  
35 funding is provided for a 3.2% salary increase effective July 1, 2005.  
36 Funding is also provided for a 1.6% increase effective July 1, 2006,

1 until June 30, 2007, for implementation of the department of personnel  
2 2002 salary survey for classes more than 25% below market rates, and  
3 for adjustments to the salary grid.

4 The office of financial management shall update agency  
5 appropriations schedules to reflect the addition of the funding in this  
6 section, as identified by agency and account in OFM document 2005-07-85  
7 dated March 21, 2005.

8 NEW SECTION. **Sec. 735. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
9 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

10	General Fund--State Appropriation (FY 2006) . . . . .	(\$37,415,000)
11	General Fund--State Appropriation (FY 2007) . . . . .	(\$25,878,000)
12	General Fund--Federal Appropriation . . . . .	(\$20,177,000)
13	General Fund--Private/Local Appropriation . . . . .	(\$2,029,000)
14	Dedicated Funds and Accounts Appropriation . . . . .	(\$35,363,000)
15	TOTAL APPROPRIATION . . . . .	(\$120,862,000)

16 The appropriations in this section are subject to the following  
17 conditions and limitations: Funding in this section is provided solely  
18 for funding agency pension changes as set forth in proposed Substitute  
19 House Bill No. 1044. The office of financial management shall update  
20 agency appropriations schedules to reflect the change in funding in  
21 this section, as identified by agency and account in: LEAP document  
22 2005-37 dated March 21, 2005; LEAP document 2005-38 dated April 5,  
23 2005; and LEAP document 2005-36 dated March 28, 2005.

24 NEW SECTION. **Sec. 736. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
25 **COMPENSATION--INSURANCE BENEFITS IN BARGAINED AGREEMENTS**

26	General Fund--State Appropriation (FY 2006) . . . . .	\$19,705,000
27	General Fund--State Appropriation (FY 2007) . . . . .	\$39,403,000
28	General Fund--Federal Appropriation . . . . .	\$19,178,000
29	General Fund--Private/Local Appropriation . . . . .	\$1,347,000
30	Dedicated Funds and Accounts Appropriation . . . . .	\$22,274,000
31	TOTAL APPROPRIATION . . . . .	\$104,524,000

32 The appropriations in this section shall be expended solely for the  
33 purposes designated in this section and are subject to the following  
34 conditions and limitations: Funding is provided for the health  
35 insurance collective bargaining agreement reached between the governor  
36 and the health insurance coalition under the personnel system reform

1 act of 2002 as per the specifications in section 945 of this act. The  
2 office of financial management shall update agency appropriations  
3 schedules to reflect the addition of the funding in this section, as  
4 identified by agency and account in LEAP document 2005-35 dated March  
5 28, 2005.

6 NEW SECTION. **Sec. 737. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
7 **COMPENSATION--INSURANCE BENEFITS FOR NONREPRESENTED EMPLOYEES**

8	General Fund--State Appropriation (FY 2006) . . . . .	\$6,753,000
9	General Fund--State Appropriation (FY 2007) . . . . .	\$3,001,000
10	General Fund--Federal Appropriation . . . . .	\$2,240,000
11	General Fund--Private/Local Appropriation . . . . .	\$178,000
12	Dedicated Funds and Accounts Appropriation . . . . .	\$6,947,000
13	TOTAL APPROPRIATION . . . . .	\$19,119,000

14 The appropriations in this section shall be expended solely for the  
15 purposes designated in this section and are subject to the following  
16 conditions and limitations: Funding is provided for state employee  
17 health insurance benefits for nonrepresented state employees as per the  
18 specifications in section 945 of this act. The office of financial  
19 management shall update agency appropriations schedules to reflect the  
20 addition of the funding in this section, as identified by agency and  
21 account in LEAP document 2005-34 dated March 28, 2005.

22 NEW SECTION. **Sec. 738. INSURANCE BENEFITS.** The legislature  
23 finds that the trend in the rate of medical expense inflation is  
24 downward and projects an 8.5% rate of inflation for the 2005-07 fiscal  
25 biennium. The funds provided in sections 736 and 737 of this act are  
26 anticipated to be sufficient to hold the average employee share of  
27 medical insurance premiums to no more than 12% of costs under this 8.5%  
28 inflation assumption. If the actual growth in employee medical  
29 insurance costs is greater than 8.5%, the legislature intends to  
30 appropriate additional funds to cover the cost of inflation, up to a  
31 maximum of 11%, in order to maintain the average employee share of  
32 medical premiums at no more than 12% for school district employees and  
33 for state employees represented by a collective bargaining unit under  
34 the personnel system reform act of 2002.

1        NEW SECTION.    **Sec. 739.        STATE EMPLOYEE INSURANCE BENEFIT**  
2 **RESERVE.**    \$20,000,000 in the public employees' and retirees' insurance  
3 account shall be held in reserve and may be expended only to the extent  
4 that the annual rate of employee health insurance premium inflation is  
5 greater than 8.5% and shall not be used to expand benefits or to reduce  
6 the average employee share of medical insurance premium costs to less  
7 than 12%.

8        NEW SECTION.    **Sec. 740.    FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
9 **PENSION CONTRIBUTION ADJUSTMENTS FOR THE PUBLIC SAFETY EMPLOYEES'**  
10 **RETIREMENT SYSTEM**

11	General Fund--State Appropriation (FY 2007) . . . . .	\$4,400,000
12	Special Account Retirement Contribution Increase	
13	Revolving Account Appropriation . . . . .	(\$3,900,000)
14	TOTAL APPROPRIATION . . . . .	\$500,000

15        The appropriations in this section are subject to the following  
16 conditions and limitations:

17        (1) The appropriations in this section are provided solely to make  
18 adjustments to agency appropriations to reflect the costs associated  
19 with the entry of employees into the public safety employees'  
20 retirement system as created by chapter 242, Laws of 2004.

21        (2) To facilitate the transfer of moneys from dedicated funds and  
22 accounts, the state treasurer is directed to transfer sufficient moneys  
23 from each dedicated fund or account to the special account retirement  
24 contribution increase revolving account in accordance with schedules  
25 provided by the office of financial management.

26        **Sec. 741.**    2005 c ... (SHB 1037) s 707 (uncodified) is amended to  
27 read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--HEALTH SERVICES ACCOUNT**

29	General Fund--State Appropriation (FY 2005) . . . . .	<del>(\$45,000,000)</del>
30		<u>\$69,000,000</u>

31        The appropriation in this section is subject to the following  
32 conditions and limitations:    The appropriation in this section is  
33 provided solely for deposit in the health services account.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include: General Fund Appropriation for fire insurance premium distributions (\$6,577,000), General Fund Appropriation for public utility district excise tax distributions (\$45,422,000), General Fund Appropriation for prosecuting attorney distributions (\$3,457,000), General Fund Appropriation for boating safety and education distributions (\$4,430,000), General Fund Appropriation for other tax distributions (\$38,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$1,969,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$147,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$71,110,000), County Criminal Justice Assistance Appropriation (\$53,914,000), Municipal Criminal Justice Assistance Appropriation (\$21,104,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$37,413,000), Liquor Revolving Account Appropriation for liquor profits distribution (\$76,186,000), and TOTAL APPROPRIATION (\$330,427,000).

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

1        NEW SECTION.    **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**  
2 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

3 Impaired Driving Safety Account Appropriation . . . . . \$1,913,400

4        The appropriation in this section is subject to the following  
5 conditions and limitations: The amount appropriated in this section  
6 shall be distributed quarterly during the 2005-07 biennium in  
7 accordance with RCW 82.14.310. This funding is provided to counties  
8 for the costs of implementing criminal justice legislation including,  
9 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
10 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
11 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998  
12 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
13 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
14 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
15 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
16 215, Laws of 1998 (DUI provisions).

17        NEW SECTION.    **Sec. 803. FOR THE STATE TREASURER--FOR THE**  
18 **MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

19 Impaired Driving Safety Account Appropriation . . . . . \$1,275,600

20        The appropriation in this section is subject to the following  
21 conditions and limitations: The amount appropriated in this section  
22 shall be distributed quarterly during the 2005-07 biennium to all  
23 cities ratably based on population as last determined by the office of  
24 financial management. The distributions to any city that substantially  
25 decriminalizes or repeals its criminal code after July 1, 1990, and  
26 that does not reimburse the county for costs associated with criminal  
27 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in  
28 which the city is located. This funding is provided to cities for the  
29 costs of implementing criminal justice legislation including, but not  
30 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);  
31 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998  
32 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license  
33 suspension); chapter 210, Laws of 1998 (ignition interlock violations);  
34 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998  
35 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels  
36 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,  
37 Laws of 1998 (DUI provisions).

1        NEW SECTION.    **Sec. 804.    FOR THE STATE TREASURER--FEDERAL REVENUES**  
2 **FOR DISTRIBUTION**

3    General Fund Appropriation for federal grazing  
4        fees distribution . . . . . \$1,632,000  
5    General Fund Appropriation for federal flood  
6        control funds distribution . . . . . \$68,000  
7    Forest Reserve Fund Appropriation for federal  
8        forest reserve fund distribution . . . . . \$84,500,000  
9        TOTAL APPROPRIATION . . . . . \$86,200,000

10    The total expenditures from the state treasury under the  
11    appropriations in this section shall not exceed the funds available  
12    under statutory distributions for the stated purposes.

13        NEW SECTION.    **Sec. 805.    FOR THE STATE TREASURER--TRANSFERS.**    For  
14    transfers in this section to the state general fund, pursuant to RCW  
15    43.135.035(5), the state expenditure limit shall be increased by the  
16    amount of the transfer. The increase shall occur in the fiscal year in  
17    which the transfer occurs.

18    State Convention and Trade Center Account:  
19        For transfer to the state general fund,  
20        \$5,150,000 for fiscal year 2006 and \$5,150,000  
21        for fiscal year 2007 . . . . . \$10,300,000

22    General Fund--State Account:  
23        For transfer to the tourism development  
24        and promotion account, \$150,000 for fiscal  
25        year 2006 and \$150,000 for fiscal year 2007 . . . . . \$300,000

26    Financial Services Regulation Account:    For transfer  
27        to the state general fund, \$500,000 for  
28        fiscal year 2006 and \$500,000 for fiscal  
29        year 2007 . . . . . \$1,000,000

30    Public Works Assistance Account:    For  
31        transfer to the drinking water  
32        assistance account, \$8,400,000 for fiscal  
33        year 2006 . . . . . \$8,400,000

34    Tobacco Settlement Account:    For transfer  
35        to the health services account, in an  
36        amount not to exceed the actual balance  
37        of the tobacco settlement account . . . . . \$185,823,000

1 Health Services Account: For transfer to the  
2 state general fund, \$109,000,000 for fiscal  
3 year 2006 . . . . . \$109,000,000  
4 Health Services Account: For transfer to the  
5 tobacco prevention and control account . . . . . \$23,366,000  
6 Health Services Account: For transfer to the  
7 water quality account . . . . . \$7,885,000  
8 Health Services Account: For transfer to the  
9 violence reduction and drug enforcement  
10 account . . . . . \$6,932,000  
11 Public Employees' and Retirees' Insurance Account:  
12 For transfer to the state general fund,  
13 \$40,000,000 for fiscal year 2006 and  
14 \$45,000,000 for fiscal year 2007 . . . . . \$85,000,000  
15 Department of Retirement Systems Expense Account:  
16 For transfer to the state general fund,  
17 \$2,000,000 for fiscal year 2006 . . . . . \$2,000,000  
18 Secretary of State's Revolving Account: For  
19 transfer to the state general fund, \$250,000  
20 for fiscal year 2006 and \$250,000 for  
21 fiscal year 2007 . . . . . \$500,000  
22 Pollution Liability Insurance Program Trust  
23 Account: For transfer to the state general fund,  
24 \$7,500,000 for fiscal year 2006 and \$7,500,000  
25 for fiscal year 2007 . . . . . \$15,000,000  
26 State Treasurer's Service Account: For transfer  
27 to the state general fund, \$5,500,000 for fiscal  
28 year 2006 and \$5,000,000 for fiscal year  
29 2007 . . . . . \$10,500,000  
30 State Toxics Control Account: For transfer to  
31 the state general fund, \$7,100,000 for fiscal  
32 year 2006 and \$7,100,000 for fiscal year 2007 . . . . \$14,200,000  
33 General Fund: For transfer to the water quality  
34 account, \$6,568,000 for fiscal year 2006 and  
35 \$6,569,000 for fiscal year 2007 . . . . . \$13,137,000  
36 Water Quality Account: For transfer to the  
37 water pollution control revolving account . . . . . \$10,534,000  
38 Drinking Water Assistance Account: For transfer

1 to the drinking water assistance repayment  
2 account, an amount not to exceed . . . . . \$15,000,000  
3 Waste Reduction, Recycling, and Litter Control  
4 Account: For transfer to the state general  
5 fund, \$1,000,000 for fiscal year 2006 and  
6 \$1,000,000 for fiscal year 2007 . . . . . \$2,000,000  
7 Public Works Assistance Account: For transfer to  
8 the public facility construction loan revolving  
9 account, \$4,500,000 for fiscal year 2006 . . . . . \$4,500,000  
10 Student Achievement Account: For transfer to  
11 the state general fund, \$87,300,000 for  
12 fiscal year 2006 and \$77,900,000 for fiscal  
13 year 2007 . . . . . \$165,200,000  
14 Nisqually Earthquake Account: For transfer to  
15 the disaster response account, \$3,000,000 for  
16 fiscal year 2006 . . . . . \$3,000,000  
17 General Fund: For transfer to the public safety  
18 and education account, \$10,000,000 for fiscal  
19 year 2006 and \$10,000,000 for fiscal year 2007 . . . . \$20,000,000  
20 General Fund: For transfer to the violence  
21 reduction and drug enforcement account,  
22 \$3,000,000 for fiscal year 2006 . . . . . \$3,000,000  
23 Natural Resources Equipment Revolving Fund: For  
24 transfer to the state general fund for fiscal  
25 year 2006 . . . . . \$1,000,000  
26 Judicial Improvement Subaccount: For  
27 transfer to the trial court improvement  
28 account . . . . . \$1,440,000

29 NEW SECTION. **Sec. 806. FOR THE STATE TREASURER--TRANSFERS.** For  
30 transfers in this section to the state general fund, pursuant to RCW  
31 43.135.035(5), the state expenditure limit shall be increased by the  
32 amount of the transfer. The increase shall occur in the fiscal year in  
33 which the transfer occurs. The transfers are subject to the enactment  
34 of Senate Bill No. 5391. If the bill is not enacted by June 30, 2005,  
35 the transfers shall not be made.

36 Public Employees' and Retirees' Insurance Account:  
37 For transfer to the state general fund,

1           \$5,000,000 for fiscal year 2006 and \$12,000,000  
2           for fiscal year 2007 . . . . . \$17,000,000

3           NEW SECTION.   **Sec. 807. FOR THE STATE TREASURER--TRANSFERS.** The  
4 state treasurer shall make the following transfers from the state  
5 general fund into the reinvesting in youth account, subject to the  
6 enactment of Second Substitute House Bill No. 1483 (reinvesting in  
7 youth). Pursuant to the bill, these transfers shall be exempt from RCW  
8 43.135.035(5). If the bill is not enacted by June 30, 2005, the  
9 transfers shall not be made.

10           (1) For fiscal year 2006, the treasurer shall transfer \$319,000  
11 from the state general fund to the reinvesting in youth account.

12           (2) For fiscal year 2007, the treasurer shall transfer \$678,000  
13 from the state general fund to the reinvesting in youth account.

(End of part)



1 (e) Progress toward enabling electronic access to public  
2 information.

3 (3) Each project will be planned and designed to take optimal  
4 advantage of Internet technologies and protocols. Agencies shall  
5 ensure that the project is in compliance with the architecture,  
6 infrastructure, principles, policies, and standards of digital  
7 government as maintained by the information services board.

8 (4) The agency shall produce a feasibility study for information  
9 technology projects at the direction of the information services board  
10 and in accordance with published department of information services  
11 policies and guidelines. At a minimum, such studies shall include a  
12 statement of: (a) The purpose or impetus for change; (b) the business  
13 value to the agency, including an examination and evaluation of  
14 benefits, advantages, and cost; (c) a comprehensive risk assessment  
15 based on the proposed project's impact on both citizens and state  
16 operations, its visibility, and the consequences of doing nothing; (d)  
17 the impact on agency and statewide information infrastructure; and (e)  
18 the impact of the proposed enhancements to an agency's information  
19 technology capabilities on meeting service delivery demands.

20 (5) The agency shall produce a comprehensive management plan for  
21 each project. The plan or plans shall address all factors critical to  
22 successful completion of each project. The plan(s) shall include, but  
23 is not limited to, the following elements: A description of the  
24 problem or opportunity that the information technology project is  
25 intended to address; a statement of project objectives and assumptions;  
26 a definition and schedule of phases, tasks, and activities to be  
27 accomplished; and the estimated cost of each phase. The planning for  
28 the phased approach shall be such that the business case justification  
29 for a project needs to demonstrate how the project recovers cost or  
30 adds measurable value or positive cost benefit to the agency's business  
31 functions within each development cycle.

32 (6) The agency shall produce quality assurance plans for  
33 information technology projects. Consistent with the direction of the  
34 information services board and the published policies and guidelines of  
35 the department of information services, the quality assurance plan  
36 shall address all factors critical to successful completion of the  
37 project and successful integration with the agency and state  
38 information technology infrastructure. At a minimum, quality assurance

1 plans shall provide time and budget benchmarks against which project  
2 progress can be measured, a specification of quality assurance  
3 responsibilities, and a statement of reporting requirements. The  
4 quality assurance plans shall set out the functionality requirements  
5 for each phase of a project.

6 (7) A copy of each feasibility study, project management plan, and  
7 quality assurance plan shall be provided to the department of  
8 information services, the office of financial management, and  
9 legislative fiscal committees. The plans and studies shall demonstrate  
10 a sound business case that justifies the investment of taxpayer funds  
11 on any new project, an assessment of the impact of the proposed system  
12 on the existing information technology infrastructure, the disciplined  
13 use of preventative measures to mitigate risk, and the leveraging of  
14 private-sector expertise as needed. Authority to expend any funds for  
15 individual information systems projects is conditioned on the approval  
16 of the relevant feasibility study, project management plan, and quality  
17 assurance plan by the department of information services and the office  
18 of financial management.

19 (8) Quality assurance status reports shall be submitted to the  
20 department of information services, the office of financial management,  
21 and legislative fiscal committees at intervals specified in the  
22 project's quality assurance plan.

23 NEW SECTION. **Sec. 903. BUSINESS CONTINUITY AND DISASTER**  
24 **RECOVERY.** State agencies shall comply with the business continuity and  
25 disaster recovery policies, guidelines, and statements of direction  
26 developed by the department of information services and the information  
27 services board in consultation with state agencies. To ensure that  
28 agency business continuity and disaster recovery activities identify  
29 the primary risks across state agencies, account for dependencies  
30 between agencies, capitalize on economies of scale, and avoid  
31 unnecessary duplication of costs and efforts, state agencies shall  
32 receive the prior approval of the department of information services  
33 before implementing business continuity and disaster recovery  
34 strategies and expending funds for business continuity activities.

35 NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS.** The department  
36 of information services shall act as lead agency in coordinating video

1 telecommunications services for state agencies. As lead agency, the  
2 department shall develop standards and common specifications for leased  
3 and purchased telecommunications equipment and assist state agencies in  
4 developing a video telecommunications expenditure plan. No agency may  
5 spend any portion of any appropriation in this act for new video  
6 telecommunication equipment, new video telecommunication transmission,  
7 or new video telecommunication programming, or for expanding current  
8 video telecommunication systems without first complying with chapter  
9 43.105 RCW, including but not limited to, RCW 43.105.041(2), and  
10 without first submitting a video telecommunications expenditure plan,  
11 in accordance with the policies of the department of information  
12 services, for review and assessment by the department of information  
13 services under RCW 43.105.052. Prior to any such expenditure by a  
14 public school, a video telecommunications expenditure plan shall be  
15 approved by the superintendent of public instruction. The office of  
16 the superintendent of public instruction shall submit the plans to the  
17 department of information services in a form prescribed by the  
18 department. The office of the superintendent of public instruction  
19 shall coordinate the use of video telecommunications in public schools  
20 by providing educational information to local school districts and  
21 shall assist local school districts and educational service districts  
22 in telecommunications planning and curriculum development. Prior to  
23 any such expenditure by a public institution of postsecondary  
24 education, a telecommunications expenditure plan shall be approved by  
25 the higher education coordinating board. The higher education  
26 coordinating board shall coordinate the use of video telecommunications  
27 for instruction and instructional support in postsecondary education,  
28 including the review and approval of instructional telecommunications  
29 course offerings.

30 NEW SECTION. **Sec. 905. PROGRAM COST SHIFTS.** Any program costs  
31 or moneys in this act that are shifted to the general fund from another  
32 fund or account require an adjustment to the expenditure limit under  
33 RCW 43.135.035(5).

34 NEW SECTION. **Sec. 906. EMERGENCY FUND ALLOCATIONS.** Whenever  
35 allocations are made from the governor's emergency fund appropriation  
36 to an agency that is financed in whole or in part by other than general

1 fund moneys, the director of financial management may direct the  
2 repayment of such allocated amount to the general fund from any balance  
3 in the fund or funds which finance the agency. No appropriation shall  
4 be necessary to effect such repayment.

5 NEW SECTION. **Sec. 907. STATUTORY APPROPRIATIONS.** In addition  
6 to the amounts appropriated in this act for revenues for distribution,  
7 state contributions to the law enforcement officers' and fire fighters'  
8 retirement system plan 2, and bond retirement and interest including  
9 ongoing bond registration and transfer charges, transfers, interest on  
10 registered warrants, and certificates of indebtedness, there is also  
11 appropriated such further amounts as may be required or available for  
12 these purposes under any statutory formula or under chapters 39.94 and  
13 39.96 RCW or any proper bond covenant made under law.

14 NEW SECTION. **Sec. 908. BOND EXPENSES.** In addition to such other  
15 appropriations as are made by this act, there is hereby appropriated to  
16 the state finance committee from legally available bond proceeds in the  
17 applicable construction or building funds and accounts such amounts as  
18 are necessary to pay the expenses incurred in the issuance and sale of  
19 the subject bonds.

20 NEW SECTION. **Sec. 909. VOLUNTARY SEPARATION INCENTIVES.** As a  
21 management tool to reduce costs and make more effective use of  
22 resources, while improving employee productivity and morale, agencies  
23 may offer voluntary separation and/or downshifting incentives and  
24 options according to procedures and guidelines established by the  
25 department of personnel and the department of retirement systems in  
26 consultation with the office of financial management. The options may  
27 include, but are not limited to, financial incentives for: Voluntary  
28 resignation and retirement, voluntary leave-without-pay, voluntary  
29 workweek or work hour reduction, voluntary downward movement, or  
30 temporary separation for development purposes. No employee shall have  
31 a contractual right to a financial incentive offered pursuant to this  
32 section. Agencies shall report on the outcomes of their plans, and  
33 offers shall be reviewed and monitored jointly by the department of  
34 personnel and the department of retirement systems, for reporting to  
35 the office of financial management by December 1, 2006.

1           NEW SECTION.   **Sec. 910. VOLUNTARY RETIREMENT INCENTIVES.**   It is  
2 the intent of the legislature that agencies may implement a voluntary  
3 retirement incentive program that is cost neutral or results in cost  
4 savings provided that such a program is approved by the director of  
5 retirement systems and the office of financial management. Agencies  
6 participating in this authorization are required to submit a report by  
7 June 30, 2007, to the legislature and the office of financial  
8 management on the outcome of their approved retirement incentive  
9 program. The report should include information on the details of the  
10 program including resulting service delivery changes, agency  
11 efficiencies, the cost of the retirement incentive per participant, the  
12 total cost to the state, and the projected or actual net dollar savings  
13 over the 2005-07 biennium.

14           NEW SECTION.   **Sec. 911. AGENCY EXPENDITURES FOR MOTOR VEHICLES.**  
15 The use of hybrid motor vehicles reduces air contaminants, greenhouse  
16 gas emissions and reliance on imported sources of petroleum. To foster  
17 the use of hybrid motor vehicles, beginning July 1, 2005, before the  
18 purchase or lease of a motor vehicle, state agencies should first  
19 consider the feasibility of hybrid motor vehicles. State agencies  
20 should strive to purchase or lease a hybrid motor vehicle when the use  
21 of such vehicle is consistent with and can accomplish the agency's  
22 mission and when the purchase is financially reasonable. The financial  
23 assessment should include savings accruing from reduced fuel purchases  
24 over the life of the vehicle. Agencies shall report on their purchases  
25 of hybrid vehicles in their biennial sustainability plans as required  
26 under executive order 02-03.

27           **Sec. 912.** RCW 28A.160.195 and 2004 c 276 s 904 are each amended to  
28 read as follows:

29           (1) The superintendent of public instruction, in consultation with  
30 the regional transportation coordinators of the educational service  
31 districts, shall establish a minimum number of school bus categories  
32 considering the capacity and type of vehicles required by school  
33 districts in Washington. The superintendent, in consultation with the  
34 regional transportation coordinators of the educational service  
35 districts, shall establish competitive specifications for each category  
36 of school bus. The categories shall be developed to produce minimum

1 long-range operating costs, including costs of equipment and all costs  
2 in operating the vehicles. The categories, for purposes of comparative  
3 studies, will be at a minimum the same as those in the beginning of the  
4 1994-95 school year. The competitive specifications shall meet federal  
5 motor vehicle safety standards, minimum state specifications as  
6 established by rule by the superintendent, and supported options as  
7 determined by the superintendent in consultation with the regional  
8 transportation coordinators of the educational service districts. In  
9 fiscal (~~year 2005~~) years 2006 and 2007, the superintendent may  
10 solicit and accept price quotes for a rear-engine category school bus  
11 that shall be reimbursed at the price of the corresponding front engine  
12 category.

13 (2) After establishing school bus categories and competitive  
14 specifications, the superintendent of public instruction shall solicit  
15 competitive price quotes from school bus dealers to be in effect for  
16 one year and shall (a) except in fiscal (~~year 2005~~) years 2006 and  
17 2007, establish a list of the lowest competitive price quotes obtained  
18 under this subsection, and (b) in fiscal (~~year 2005~~) years 2006 and  
19 2007, establish a list of all accepted price quotes in each category  
20 obtained under this subsection.

21 (3) The superintendent shall base the level of reimbursement to  
22 school districts and educational service districts for school buses on  
23 the lowest quote in each category.

24 (4) Notwithstanding RCW 28A.335.190, school districts and  
25 educational service districts may purchase at the quoted price directly  
26 from the dealer who is providing the lowest competitive price quote on  
27 the list established under subsection (2) of this section and in fiscal  
28 (~~year 2005~~) years 2006 and 2007 from any dealer on the list  
29 established under subsection (2)(b) of this section. School districts  
30 and educational service districts may make their own selections for  
31 school buses, but shall be reimbursed at the rates determined under  
32 subsection (3) of this section and RCW 28A.160.200. District-selected  
33 options shall not be reimbursed by the state. For the (~~2003-05~~)  
34 2005-2007 fiscal biennium, school districts and educational service  
35 districts shall be reimbursed for buses purchased only through a  
36 lowest-price competitive bid process conducted pursuant to RCW  
37 28A.335.190 or through the state bid process established by this  
38 section.

1 (5) This section does not prohibit school districts or educational  
2 service districts from conducting their own competitive bid process.

3 (6) The superintendent of public instruction may adopt rules under  
4 chapter 34.05 RCW to implement this section.

5 **Sec. 913.** RCW 28A.305.210 and 2003 1st sp.s. c 25 s 911 are each  
6 amended to read as follows:

7 (1) The state board of education, by rule or regulation, may  
8 require the assistance of educational service district boards and/or  
9 superintendents in the performance of any duty, authority, or power  
10 imposed upon or granted to the state board of education by law, upon  
11 such terms and conditions as the state board of education shall  
12 establish. Such authority to assist the state board of education shall  
13 be limited to the service function of information collection and  
14 dissemination and the attestment to the accuracy and completeness of  
15 submitted information.

16 (2) During the ((2003-05)) 2005-2007 biennium, educational service  
17 districts may, at the request of the state board of education, receive  
18 and screen applications for school accreditation, conduct school  
19 accreditation site visits pursuant to state board of education rules,  
20 and submit to the state board of education postsite visit  
21 recommendations for school accreditation. The educational service  
22 districts may assess a cooperative service fee to recover actual plus  
23 reasonable indirect costs for the purposes of this subsection.

24 **Sec. 914.** RCW 28A.500.030 and 2003 1st sp.s. c 25 s 912 are each  
25 amended to read as follows:

26 Allocation of state matching funds to eligible districts for local  
27 effort assistance shall be determined as follows:

28 (1) Funds raised by the district through maintenance and operation  
29 levies shall be matched with state funds using the following ratio of  
30 state funds to levy funds:

31 (a) The difference between the district's twelve percent levy rate  
32 and the statewide average twelve percent levy rate; to

33 (b) The statewide average twelve percent levy rate.

34 (2) The maximum amount of state matching funds for districts  
35 eligible for local effort assistance shall be the district's twelve  
36 percent levy amount, multiplied by the following percentage:

1 (a) The difference between the district's twelve percent levy rate  
2 and the statewide average twelve percent levy rate; divided by

3 (b) The district's twelve percent levy rate.

4 (3) Calendar year 2003 allocations and maximum eligibility under  
5 this chapter shall be multiplied by 0.99.

6 (4) From January 1, 2004, to (~~June 30,~~) December 31, 2005,  
7 allocations and maximum eligibility under this chapter shall be  
8 multiplied by 0.937.

9 (5) From January 1, 2006, to June 30, 2007, allocations and maximum  
10 eligibility under this chapter shall be multiplied by 0.885.

11 **Sec. 915.** RCW 28B.102.040 and 2004 c 276 s 905, 2004 c 275 s 68,  
12 and 2004 c 58 s 4 are each reenacted and amended to read as follows:

13 (1) The board may select participants based on an application  
14 process conducted by the board or the board may utilize selection  
15 processes for similar students in cooperation with the professional  
16 educator standards board or the office of the superintendent of public  
17 instruction.

18 (2) If the board selects participants for the program, it shall  
19 establish a selection committee for screening and selecting recipients  
20 of the conditional scholarships. The criteria shall emphasize factors  
21 demonstrating excellence including but not limited to superior  
22 scholastic achievement, leadership ability, community contributions,  
23 bilingual ability, willingness to commit to providing teaching service  
24 in shortage areas, and an ability to act as a role model for students.  
25 Priority will be given to individuals seeking certification or an  
26 additional endorsement in math, science, technology, or special  
27 education.

28 (~~Subject to enactment of chapter 58, Laws of 2004,~~) For fiscal  
29 years ((2005)) 2006 and 2007, additional priority shall be given to  
30 such individuals who are also bilingual. It is the intent of the  
31 legislature to develop a pool of dual-language teachers in order to  
32 meet the challenge of educating students who are dominant in languages  
33 other than English.

34 **Sec. 916.** RCW 28B.119.010 and 2004 c 275 s 60 are each amended to  
35 read as follows:

1 The higher education coordinating board shall design the Washington  
2 promise scholarship program based on the following parameters:

3 (1) Scholarships shall be awarded to students graduating from  
4 public and approved private high schools under chapter 28A.195 RCW,  
5 students participating in home-based instruction as provided in chapter  
6 28A.200 RCW, and persons twenty-one years of age or younger receiving  
7 a GED certificate, who meet both an academic and a financial  
8 eligibility criteria.

9 (a) Academic eligibility criteria shall be defined as follows:

10 (i) (~~Beginning with the graduating class of 2002,~~) Students  
11 graduating from public and approved private high schools under chapter  
12 28A.195 RCW must be in the top fifteen percent of their graduating  
13 class, as identified by each respective high school at the completion  
14 of the first term of the student's senior year. For the 2005-07 fiscal  
15 biennium if the fall term enrollment of the current senior class is not  
16 available to the superintendent in a timely manner then the number of  
17 seniors that may be identified is equal to the previous year's fall  
18 term senior class enrollment; or

19 (ii) Students graduating from public high schools, approved private  
20 high schools under chapter 28A.195 RCW, students participating in home-  
21 based instruction as provided in chapter 28A.200 RCW, and persons  
22 twenty-one years of age or younger receiving a GED certificate, must on  
23 their first attempt equal or exceed a cumulative (~~scholastic~~  
24 ~~assessment test I score of twelve hundred on their first attempt or~~  
25 ~~must equal or exceed a composite~~) score on either the scholastic  
26 assessment test (SAT) I or the American college test (~~score of twenty-~~  
27 seven on their first attempt) (ACT) that represents performance in the  
28 top fifteen percent of students taking the test.

29 (b) To meet the financial eligibility criteria, a student's family  
30 income shall not exceed one hundred thirty-five percent or, for the  
31 2005-07 fiscal biennium, one hundred twenty percent of the state median  
32 family income adjusted for family size, as determined by the higher  
33 education coordinating board for each graduating class. Students not  
34 meeting the eligibility requirements for the first year of scholarship  
35 benefits may reapply for the second year of benefits, but must still  
36 meet the income standard set by the board for the student's graduating  
37 class.

1 (2) Promise scholarships are not intended to supplant any grant,  
2 scholarship, or tax program related to postsecondary education. If the  
3 board finds that promise scholarships supplant or reduce any grant,  
4 scholarship, or tax program for categories of students, then the board  
5 shall adjust the financial eligibility criteria or the amount of  
6 scholarship to the level necessary to avoid supplanting.

7 (3) Within available funds, each qualifying student shall receive  
8 two consecutive annual awards, the value of each not to exceed the  
9 full-time annual resident tuition rates charged by Washington's  
10 community colleges. The higher education coordinating board shall  
11 award scholarships to as many students as possible from among those  
12 qualifying under this section.

13 (4) By October 15th of each year, the board shall determine the  
14 award amount of the scholarships, after taking into consideration the  
15 availability of funds.

16 (5) The scholarships may only be used for undergraduate coursework  
17 at accredited institutions of higher education in the state of  
18 Washington.

19 (6) The scholarships may be used for undergraduate coursework at  
20 Oregon institutions of higher education that are part of the border  
21 county higher education opportunity project in RCW 28B.76.685 when  
22 those institutions offer programs not available at accredited  
23 institutions of higher education in Washington state.

24 (7) The scholarships may be used for college-related expenses,  
25 including but not limited to, tuition, room and board, books, and  
26 materials.

27 (8) The scholarships may not be awarded to any student who is  
28 pursuing a degree in theology.

29 (9) The higher education coordinating board may establish  
30 satisfactory progress standards for the continued receipt of the  
31 promise scholarship.

32 (10) The higher education coordinating board shall establish the  
33 time frame within which the student must use the scholarship.

34 **Sec. 917.** RCW 41.05.065 and 2003 c 158 s 2 are each amended to  
35 read as follows:

36 (1) The board shall study all matters connected with the provision  
37 of health care coverage, life insurance, liability insurance,

1 accidental death and dismemberment insurance, and disability income  
2 insurance or any of, or a combination of, the enumerated types of  
3 insurance for employees and their dependents on the best basis possible  
4 with relation both to the welfare of the employees and to the state.  
5 However, liability insurance shall not be made available to dependents.

6 (2) The board shall develop employee benefit plans that include  
7 comprehensive health care benefits for all employees. In developing  
8 these plans, the board shall consider the following elements:

9 (a) Methods of maximizing cost containment while ensuring access to  
10 quality health care;

11 (b) Development of provider arrangements that encourage cost  
12 containment and ensure access to quality care, including but not  
13 limited to prepaid delivery systems and prospective payment methods;

14 (c) Wellness incentives that focus on proven strategies, such as  
15 smoking cessation, injury and accident prevention, reduction of alcohol  
16 misuse, appropriate weight reduction, exercise, automobile and  
17 motorcycle safety, blood cholesterol reduction, and nutrition  
18 education;

19 (d) Utilization review procedures including, but not limited to a  
20 cost-efficient method for prior authorization of services, hospital  
21 inpatient length of stay review, requirements for use of outpatient  
22 surgeries and second opinions for surgeries, review of invoices or  
23 claims submitted by service providers, and performance audit of  
24 providers;

25 (e) Effective coordination of benefits;

26 (f) Minimum standards for insuring entities; and

27 (g) Minimum scope and content of public employee benefit plans to  
28 be offered to enrollees participating in the employee health benefit  
29 plans. To maintain the comprehensive nature of employee health care  
30 benefits, employee eligibility criteria related to the number of hours  
31 worked and the benefits provided to employees shall be substantially  
32 equivalent to the state employees' health benefits plan and eligibility  
33 criteria in effect on January 1, 1993. Nothing in this subsection  
34 (2)(g) shall prohibit changes or increases in employee point-of-service  
35 payments or employee premium payments for benefits.

36 (3) The board shall design benefits and determine the terms and  
37 conditions of employee participation and coverage, including  
38 establishment of eligibility criteria. The same terms and conditions

1 of participation and coverage, including eligibility criteria, shall  
2 apply to state employees and to school district employees and  
3 educational service district employees.

4 (4) The board may authorize premium contributions for an employee  
5 and the employee's dependents in a manner that encourages the use of  
6 cost-efficient managed health care systems. During the 2005-2007  
7 fiscal biennium, the board may only authorize premium contributions for  
8 an employee and the employee's dependents that are the same, regardless  
9 of an employee's status as represented or nonrepresented by a  
10 collective bargaining unit under the personnel system reform act of  
11 2002. The board shall require participating school district and  
12 educational service district employees to pay at least the same  
13 employee premiums by plan and family size as state employees pay.

14 (5) Employees shall choose participation in one of the health care  
15 benefit plans developed by the board and may be permitted to waive  
16 coverage under terms and conditions established by the board.

17 (6) The board shall review plans proposed by insuring entities that  
18 desire to offer property insurance and/or accident and casualty  
19 insurance to state employees through payroll deduction. The board may  
20 approve any such plan for payroll deduction by insuring entities  
21 holding a valid certificate of authority in the state of Washington and  
22 which the board determines to be in the best interests of employees and  
23 the state. The board shall promulgate rules setting forth criteria by  
24 which it shall evaluate the plans.

25 (7) Before January 1, 1998, the public employees' benefits board  
26 shall make available one or more fully insured long-term care insurance  
27 plans that comply with the requirements of chapter 48.84 RCW. Such  
28 programs shall be made available to eligible employees, retired  
29 employees, and retired school employees as well as eligible dependents  
30 which, for the purpose of this section, includes the parents of the  
31 employee or retiree and the parents of the spouse of the employee or  
32 retiree. Employees of local governments and employees of political  
33 subdivisions not otherwise enrolled in the public employees' benefits  
34 board sponsored medical programs may enroll under terms and conditions  
35 established by the administrator, if it does not jeopardize the  
36 financial viability of the public employees' benefits board's long-term  
37 care offering.

1 (a) Participation of eligible employees or retired employees and  
2 retired school employees in any long-term care insurance plan made  
3 available by the public employees' benefits board is voluntary and  
4 shall not be subject to binding arbitration under chapter 41.56 RCW.  
5 Participation is subject to reasonable underwriting guidelines and  
6 eligibility rules established by the public employees' benefits board  
7 and the health care authority.

8 (b) The employee, retired employee, and retired school employee are  
9 solely responsible for the payment of the premium rates developed by  
10 the health care authority. The health care authority is authorized to  
11 charge a reasonable administrative fee in addition to the premium  
12 charged by the long-term care insurer, which shall include the health  
13 care authority's cost of administration, marketing, and consumer  
14 education materials prepared by the health care authority and the  
15 office of the insurance commissioner.

16 (c) To the extent administratively possible, the state shall  
17 establish an automatic payroll or pension deduction system for the  
18 payment of the long-term care insurance premiums.

19 (d) The public employees' benefits board and the health care  
20 authority shall establish a technical advisory committee to provide  
21 advice in the development of the benefit design and establishment of  
22 underwriting guidelines and eligibility rules. The committee shall  
23 also advise the board and authority on effective and cost-effective  
24 ways to market and distribute the long-term care product. The  
25 technical advisory committee shall be comprised, at a minimum, of  
26 representatives of the office of the insurance commissioner, providers  
27 of long-term care services, licensed insurance agents with expertise in  
28 long-term care insurance, employees, retired employees, retired school  
29 employees, and other interested parties determined to be appropriate by  
30 the board.

31 (e) The health care authority shall offer employees, retired  
32 employees, and retired school employees the option of purchasing long-  
33 term care insurance through licensed agents or brokers appointed by the  
34 long-term care insurer. The authority, in consultation with the public  
35 employees' benefits board, shall establish marketing procedures and may  
36 consider all premium components as a part of the contract negotiations  
37 with the long-term care insurer.

1 (f) In developing the long-term care insurance benefit designs, the  
2 public employees' benefits board shall include an alternative plan of  
3 care benefit, including adult day services, as approved by the office  
4 of the insurance commissioner.

5 (g) The health care authority, with the cooperation of the office  
6 of the insurance commissioner, shall develop a consumer education  
7 program for the eligible employees, retired employees, and retired  
8 school employees designed to provide education on the potential need  
9 for long-term care, methods of financing long-term care, and the  
10 availability of long-term care insurance products including the  
11 products offered by the board.

12 (h) By December 1998, the health care authority, in consultation  
13 with the public employees' benefits board, shall submit a report to the  
14 appropriate committees of the legislature, including an analysis of the  
15 marketing and distribution of the long-term care insurance provided  
16 under this section.

17 **Sec. 918.** RCW 41.05.120 and 1994 c 153 s 9 are each amended to  
18 read as follows:

19 (1) The public employees' and retirees' insurance account is hereby  
20 established in the custody of the state treasurer, to be used by the  
21 administrator for the deposit of contributions, the remittance paid by  
22 school districts and educational service districts (~~under RCW~~  
23 ~~28A.400.400~~)), reserves, dividends, and refunds, and for payment of  
24 premiums for employee and retiree insurance benefit contracts and  
25 subsidy amounts provided under RCW 41.05.085. Moneys from the account  
26 shall be disbursed by the state treasurer by warrants on vouchers duly  
27 authorized by the administrator.

28 (2) The state treasurer and the state investment board may invest  
29 moneys in the public employees' and retirees' insurance account. All  
30 such investments shall be in accordance with RCW 43.84.080 or  
31 43.84.150, whichever is applicable. The administrator shall determine  
32 whether the state treasurer or the state investment board or both shall  
33 invest moneys in the public employees' insurance account.

34 (3) During the 2005-07 fiscal biennium, the legislature may  
35 transfer from the public employees' and retirees' insurance account  
36 such amounts as reflect the excess fund balance of the fund.

1           **Sec. 919.** RCW 41.50.110 and 2003 1st sp.s. c 25 s 914 are each  
2 amended to read as follows:

3           (1) Except as provided by RCW 41.50.255 and subsection (6) of this  
4 section, all expenses of the administration of the department, the  
5 expenses of administration of the retirement systems, and the expenses  
6 of the administration of the office of the state actuary created in  
7 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 43.43, and  
8 44.44 RCW shall be paid from the department of retirement systems  
9 expense fund.

10           (2) In order to reimburse the department of retirement systems  
11 expense fund on an equitable basis the department shall ascertain and  
12 report to each employer, as defined in RCW 41.26.030, 41.32.010,  
13 41.35.010, or 41.40.010, the sum necessary to defray its proportional  
14 share of the entire expense of the administration of the retirement  
15 system that the employer participates in during the ensuing biennium or  
16 fiscal year whichever may be required. Such sum is to be computed in  
17 an amount directly proportional to the estimated entire expense of the  
18 administration as the ratio of monthly salaries of the employer's  
19 members bears to the total salaries of all members in the entire  
20 system. It shall then be the duty of all such employers to include in  
21 their budgets or otherwise provide the amounts so required.

22           (3) The department shall compute and bill each employer, as defined  
23 in RCW 41.26.030, 41.32.010, 41.35.010, or 41.40.010, at the end of  
24 each month for the amount due for that month to the department of  
25 retirement systems expense fund and the same shall be paid as are its  
26 other obligations. Such computation as to each employer shall be made  
27 on a percentage rate of salary established by the department. However,  
28 the department may at its discretion establish a system of billing  
29 based upon calendar year quarters in which event the said billing shall  
30 be at the end of each such quarter.

31           (4) The director may adjust the expense fund contribution rate for  
32 each system at any time when necessary to reflect unanticipated costs  
33 or savings in administering the department.

34           (5) An employer who fails to submit timely and accurate reports to  
35 the department may be assessed an additional fee related to the  
36 increased costs incurred by the department in processing the deficient  
37 reports. Fees paid under this subsection shall be deposited in the  
38 retirement system expense fund.

1 (a) Every six months the department shall determine the amount of  
2 an employer's fee by reviewing the timeliness and accuracy of the  
3 reports submitted by the employer in the preceding six months. If  
4 those reports were not both timely and accurate the department may  
5 prospectively assess an additional fee under this subsection.

6 (b) An additional fee assessed by the department under this  
7 subsection shall not exceed fifty percent of the standard fee.

8 (c) The department shall adopt rules implementing this section.

9 (6) Expenses other than those under RCW 41.34.060(3) shall be paid  
10 pursuant to subsection (1) of this section.

11 (7) During the ((2003-)) 2005-2007 fiscal biennium, the legislature  
12 may transfer from the department of retirement systems' expense fund to  
13 the state general fund such amounts as reflect the excess fund balance  
14 of the fund.

15 **Sec. 920.** RCW 41.50.110 and 2004 c 242 s 46 are each amended to  
16 read as follows:

17 (1) Except as provided by RCW 41.50.255 and subsection (6) of this  
18 section, all expenses of the administration of the department, the  
19 expenses of administration of the retirement systems, and the expenses  
20 of the administration of the office of the state actuary created in  
21 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,  
22 and 44.44 RCW shall be paid from the department of retirement systems  
23 expense fund.

24 (2) In order to reimburse the department of retirement systems  
25 expense fund on an equitable basis the department shall ascertain and  
26 report to each employer, as defined in RCW 41.26.030, 41.32.010,  
27 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its  
28 proportional share of the entire expense of the administration of the  
29 retirement system that the employer participates in during the ensuing  
30 biennium or fiscal year whichever may be required. Such sum is to be  
31 computed in an amount directly proportional to the estimated entire  
32 expense of the administration as the ratio of monthly salaries of the  
33 employer's members bears to the total salaries of all members in the  
34 entire system. It shall then be the duty of all such employers to  
35 include in their budgets or otherwise provide the amounts so required.

36 (3) The department shall compute and bill each employer, as defined  
37 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the

1 end of each month for the amount due for that month to the department  
2 of retirement systems expense fund and the same shall be paid as are  
3 its other obligations. Such computation as to each employer shall be  
4 made on a percentage rate of salary established by the department.  
5 However, the department may at its discretion establish a system of  
6 billing based upon calendar year quarters in which event the said  
7 billing shall be at the end of each such quarter.

8 (4) The director may adjust the expense fund contribution rate for  
9 each system at any time when necessary to reflect unanticipated costs  
10 or savings in administering the department.

11 (5) An employer who fails to submit timely and accurate reports to  
12 the department may be assessed an additional fee related to the  
13 increased costs incurred by the department in processing the deficient  
14 reports. Fees paid under this subsection shall be deposited in the  
15 retirement system expense fund.

16 (a) Every six months the department shall determine the amount of  
17 an employer's fee by reviewing the timeliness and accuracy of the  
18 reports submitted by the employer in the preceding six months. If  
19 those reports were not both timely and accurate the department may  
20 prospectively assess an additional fee under this subsection.

21 (b) An additional fee assessed by the department under this  
22 subsection shall not exceed fifty percent of the standard fee.

23 (c) The department shall adopt rules implementing this section.

24 (6) Expenses other than those under RCW 41.34.060(3) shall be paid  
25 pursuant to subsection (1) of this section.

26 (7) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature  
27 may transfer from the department of retirement systems' expense fund to  
28 the state general fund such amounts as reflect the excess fund balance  
29 of the fund.

30 **Sec. 921.** RCW 43.07.130 and 1994 c 211 s 1311 are each amended to  
31 read as follows:

32 There is created within the state treasury a revolving fund, to be  
33 known as the "secretary of state's revolving fund," which shall be used  
34 by the office of the secretary of state to defray the costs of  
35 printing, reprinting, or distributing printed matter authorized by law  
36 to be issued by the office of the secretary of state, and any other

1 cost of carrying out the functions of the secretary of state under  
2 Title 23B RCW, or chapters 18.100, 23.86, 23.90, 24.03, 24.06, 24.12,  
3 24.20, 24.24, 24.28, 24.36, 25.15, or 25.10 RCW.

4 The secretary of state is hereby authorized to charge a fee for  
5 such publications in an amount which will compensate for the costs of  
6 printing, reprinting, and distributing such printed matter. Fees  
7 recovered by the secretary of state under RCW 43.07.120(2), 23B.01.220  
8 (1)(e), (6) and (7), 23B.18.050, 24.03.410, 24.06.455, or 46.64.040,  
9 and such other moneys as are expressly designated for deposit in the  
10 secretary of state's revolving fund shall be placed in the secretary of  
11 state's revolving fund.

12 During the 2005-2007 fiscal biennium, the legislature may transfer  
13 from the secretary of state's revolving fund to the state general fund  
14 such amounts as reflect the excess fund balance of the fund.

15 **Sec. 922.** RCW 43.08.190 and 2003 1st sp.s. c 25 s 916 are each  
16 amended to read as follows:

17 There is hereby created a fund within the state treasury to be  
18 known as the "state treasurer's service fund". Such fund shall be used  
19 solely for the payment of costs and expenses incurred in the operation  
20 and administration of the state treasurer's office.

21 Moneys shall be allocated monthly and placed in the state  
22 treasurer's service fund equivalent to a maximum of one percent of the  
23 trust and treasury average daily cash balances from the earnings  
24 generated under the authority of RCW 43.79A.040 and 43.84.080 other  
25 than earnings generated from investment of balances in funds and  
26 accounts specified in RCW (~~43.79.040~~) 43.79A.040 or 43.84.092(4)(b).  
27 The allocation shall precede the distribution of the remaining earnings  
28 as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer  
29 shall establish a uniform allocation rate based on the appropriations  
30 for the treasurer's office.

31 During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature may  
32 transfer from the state treasurer's service fund to the state general  
33 fund such amounts as reflect the excess fund balance of the fund.

34 **Sec. 923.** RCW 43.08.250 and 2003 1st sp.s. c 25 s 918 are each  
35 amended to read as follows:

36 The money received by the state treasurer from fees, fines,

1 forfeitures, penalties, reimbursements or assessments by any court  
2 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be  
3 deposited in the public safety and education account which is hereby  
4 created in the state treasury. The legislature shall appropriate the  
5 funds in the account to promote traffic safety education, highway  
6 safety, criminal justice training, crime victims' compensation,  
7 judicial education, the judicial information system, civil  
8 representation of indigent persons, winter recreation parking, drug  
9 court operations, and state game programs. During the fiscal biennium  
10 ending June 30, (~~(2005)~~) 2007, the legislature may appropriate moneys  
11 from the public safety and education account for purposes of appellate  
12 indigent defense and other operations of the office of public defense,  
13 the criminal litigation unit of the attorney general's office, the  
14 treatment alternatives to street crimes program, crime victims advocacy  
15 programs, justice information network telecommunication planning,  
16 treatment for supplemental security income clients, sexual assault  
17 treatment, operations of the office of administrator for the courts,  
18 security in the common schools, alternative school start-up grants,  
19 programs for disruptive students, criminal justice data collection,  
20 Washington state patrol criminal justice activities, drug court  
21 operations, unified family courts, local court backlog assistance,  
22 financial assistance to local jurisdictions for extraordinary costs  
23 incurred in the adjudication of criminal cases, domestic violence  
24 treatment and related services, the department of corrections' costs in  
25 implementing chapter 196, Laws of 1999, reimbursement of local  
26 governments for costs associated with implementing criminal and civil  
27 justice legislation, the replacement of the department of corrections'  
28 offender-based tracking system, secure and semi-secure crisis  
29 residential centers, HOPE beds, the family policy council and community  
30 public health and safety networks, the street youth program, public  
31 notification about registered sex offenders, and narcotics or  
32 methamphetamine-related enforcement, education, training, and drug and  
33 alcohol treatment services.

34 **Sec. 924.** RCW 43.10.180 and 2003 1st sp.s. c 25 s 917 are each  
35 amended to read as follows:

36 (1) The attorney general shall keep such records as are necessary  
37 to facilitate proper allocation of costs to funds and agencies served

1 and the director of financial management shall prescribe appropriate  
2 accounting procedures to accurately allocate costs to funds and  
3 agencies served. Billings shall be adjusted in line with actual costs  
4 incurred at intervals not to exceed six months.

5 (2) During the ((2003-05)) 2005-2007 fiscal biennium, all expenses  
6 for administration of the office of the attorney general shall be  
7 allocated to and paid from the legal services revolving fund in  
8 accordance with accounting procedures prescribed by the director of  
9 financial management.

10 **Sec. 925.** RCW 43.30.305 and 2003 c 334 s 120 are each amended to  
11 read as follows:

12 A revolving fund in the custody of the state treasurer, to be known  
13 as the natural resources equipment fund, is hereby created to be  
14 expended by the department without appropriation solely for the  
15 purchase of equipment, machinery, and supplies for the use of the  
16 department and for the payment of the costs of repair and maintenance  
17 of such equipment, machinery, and supplies. During the 2005-2007  
18 fiscal biennium the legislature may transfer such amounts as represent  
19 the excess balance of the fund to the state general fund.

20 **Sec. 926.** RCW 43.43.944 and 2003 1st sp.s. c 25 s 919 are each  
21 amended to read as follows:

22 (1) The fire service training account is hereby established in the  
23 state treasury. The fund shall consist of:

24 (a) All fees received by the Washington state patrol for fire  
25 service training;

26 (b) All grants and bequests accepted by the Washington state patrol  
27 under RCW 43.43.940; and

28 (c) Twenty percent of all moneys received by the state on fire  
29 insurance premiums.

30 (2) Moneys in the account may be appropriated only for fire service  
31 training. During the ((2003-2005)) 2005-2007 fiscal biennium, the  
32 legislature may appropriate funds from this account for school fire  
33 prevention activities within the Washington state patrol.

34 **Sec. 927.** RCW 43.72.900 and 2003 c 259 s 1 are each amended to  
35 read as follows:

1 (1) The health services account is created in the state treasury.  
2 Moneys in the account may be spent only after appropriation. Subject  
3 to the transfers described in subsection (3) of this section, moneys in  
4 the account may be expended only for maintaining and expanding health  
5 services access for low-income residents, maintaining and expanding the  
6 public health system, maintaining and improving the capacity of the  
7 health care system, containing health care costs, and the regulation,  
8 planning, and administering of the health care system.

9 (2) Funds deposited into the health services account under RCW  
10 82.24.028 and 82.26.028 shall be used solely as follows:

11 (a) Five million dollars for the state fiscal year beginning July  
12 1, 2002, and five million dollars for the state fiscal year beginning  
13 July 1, 2003, shall be appropriated by the legislature for programs  
14 that effectively improve the health of low-income persons, including  
15 efforts to reduce diseases and illnesses that harm low-income persons.  
16 The department of health shall submit a report to the legislature on  
17 March 1, 2002, evaluating the cost-effectiveness of programs that  
18 improve the health of low-income persons and address diseases and  
19 illnesses that disproportionately affect low-income persons, and making  
20 recommendations to the legislature on which of these programs could  
21 most effectively utilize the funds appropriated under this subsection.

22 (b) Ten percent of the funds deposited into the health services  
23 account under RCW 82.24.028 and 82.26.028 remaining after the  
24 appropriation under (a) of this subsection shall be transferred no less  
25 frequently than annually by the treasurer to the tobacco prevention and  
26 control account established by RCW 43.79.480. The funds transferred  
27 shall be used exclusively for implementation of the Washington state  
28 tobacco prevention and control plan and shall be used only to  
29 supplement, and not supplant, funds in the tobacco prevention and  
30 control account as of January 1, 2001, however, these funds may be used  
31 to replace funds appropriated by the legislature for further  
32 implementation of the Washington state tobacco prevention and control  
33 plan for the biennium beginning July 1, 2001. For each state fiscal  
34 year beginning on and after July 1, 2002, the legislature shall  
35 appropriate no less than twenty-six million two hundred forty thousand  
36 dollars from the tobacco prevention and control account for  
37 implementation of the Washington state tobacco prevention and control  
38 plan.

1 (c) Because of its demonstrated effectiveness in improving the  
2 health of low-income persons and addressing illnesses and diseases that  
3 harm low-income persons, the remainder of the funds deposited into the  
4 health services account under RCW 82.24.028 and 82.26.028 shall be  
5 appropriated solely for Washington basic health plan enrollment as  
6 provided in chapter 70.47 RCW. Funds appropriated under this  
7 subsection may be used to support outreach and enrollment activities  
8 only to the extent necessary to achieve the enrollment goals described  
9 in this section.

10 (3) Prior to expenditure for the purposes described in subsection  
11 (2) of this section, funds deposited into the health services account  
12 under RCW 82.24.028 and 82.26.028 shall first be transferred to the  
13 following accounts to ensure the continued availability of previously  
14 dedicated revenues for certain existing programs:

15 (a) To the violence reduction and drug enforcement account under  
16 RCW 69.50.520, two million two hundred forty-nine thousand five hundred  
17 dollars for the state fiscal year beginning July 1, 2001, four million  
18 two hundred forty-eight thousand dollars for the state fiscal year  
19 beginning July 1, 2002, seven million seven hundred eighty-nine  
20 thousand dollars for the biennium beginning July 1, 2003, six million  
21 nine hundred thirty-two thousand dollars for the biennium beginning  
22 July 1, 2005, and six million nine hundred thirty-two thousand dollars  
23 for each biennium thereafter, as required by RCW 82.24.020(2);

24 (b) To the health services account under this section, nine million  
25 seventy-seven thousand dollars for the state fiscal year beginning July  
26 1, 2001, seventeen million one hundred eighty-eight thousand dollars  
27 for the state fiscal year beginning July 1, 2002, thirty-one million  
28 seven hundred fifty-five thousand dollars for the biennium beginning  
29 July 1, 2003, twenty-eight million six hundred twenty-two thousand  
30 dollars for the biennium beginning July 1, 2005, and twenty-eight  
31 million six hundred twenty-two thousand dollars for each biennium  
32 thereafter, as required by RCW 82.24.020(3); and

33 (c) To the water quality account under RCW 70.146.030, two million  
34 two hundred three thousand five hundred dollars for the state fiscal  
35 year beginning July 1, 2001, four million two hundred forty-four  
36 thousand dollars for the state fiscal year beginning July 1, 2002,  
37 eight million one hundred eighty-two thousand dollars for the biennium  
38 beginning July 1, 2003, seven million eight hundred eighty-five

1 thousand dollars for the biennium beginning July 1, 2005, and seven  
2 million eight hundred eighty-five thousand dollars for each biennium  
3 thereafter, as required by RCW 82.24.027(2)(a).

4 During the ((2001-2003)) 2005-2007 fiscal biennium, the legislature  
5 may transfer from the health services account such amounts as reflect  
6 the excess fund balance of the account to the state general fund.

7 **Sec. 928.** RCW 43.135.045 and 2003 1st sp.s. c 25 s 920 are each  
8 amended to read as follows:

9 (1) The emergency reserve fund is established in the state  
10 treasury. During each fiscal year, the state treasurer shall deposit  
11 in the emergency reserve fund all general fund--state revenues in  
12 excess of the state expenditure limit for that fiscal year. Deposits  
13 shall be made at the end of each fiscal quarter based on projections of  
14 state revenues and the state expenditure limit. The treasurer shall  
15 make transfers between these accounts as necessary to reconcile actual  
16 annual revenues and the expenditure limit for fiscal year 2000 and  
17 thereafter.

18 (2) The legislature may appropriate moneys from the emergency  
19 reserve fund only with approval of at least two-thirds of the members  
20 of each house of the legislature, and then only if the appropriation  
21 does not cause total expenditures to exceed the state expenditure limit  
22 under this chapter.

23 (3) The emergency reserve fund balance shall not exceed five  
24 percent of annual general fund--state revenues as projected by the  
25 official state revenue forecast. Any balance in excess of five percent  
26 shall be transferred on a quarterly basis by the state treasurer as  
27 follows: Seventy-five percent to the student achievement fund hereby  
28 created in the state treasury and twenty-five percent to the general  
29 fund balance. The treasurer shall make transfers between these  
30 accounts as necessary to reconcile actual annual revenues for fiscal  
31 year 2000 and thereafter. When per-student state funding for the  
32 maintenance and operation of K-12 education meets a level of no less  
33 than ninety percent of the national average of total funding from all  
34 sources per student as determined by the most recent published data  
35 from the national center for education statistics of the United States  
36 department of education, as calculated by the office of financial  
37 management, further deposits to the student achievement fund shall be

1 required only to the extent necessary to maintain the ninety-percent  
2 level. Remaining funds are part of the general fund balance and these  
3 funds are subject to the expenditure limits of this chapter.

4 (4) The education construction fund is hereby created in the state  
5 treasury.

6 (a) Funds may be appropriated from the education construction fund  
7 exclusively for common school construction or higher education  
8 construction.

9 (b) Funds may be appropriated for any other purpose only if  
10 approved by a two-thirds vote of each house of the legislature and if  
11 approved by a vote of the people at the next general election. An  
12 appropriation approved by the people under this subsection shall result  
13 in an adjustment to the state expenditure limit only for the fiscal  
14 period for which the appropriation is made and shall not affect any  
15 subsequent fiscal period.

16 (5) Funds from the student achievement fund shall be appropriated  
17 to the superintendent of public instruction strictly for distribution  
18 to school districts to meet the provisions set out in the student  
19 achievement act. Allocations shall be made on an equal per full-time  
20 equivalent student basis to each school district.

21 (6) Earnings of the emergency reserve fund under RCW  
22 43.84.092(4)(a) shall be transferred quarterly to the multimodal  
23 transportation account, except for those earnings that are in excess of  
24 thirty-five million dollars each fiscal year. Within thirty days  
25 following any fiscal year in which earnings transferred to the  
26 multimodal transportation account under this subsection did not total  
27 thirty-five million dollars, the state treasurer shall transfer from  
28 the emergency reserve fund an amount necessary to bring the total  
29 deposited in the multimodal transportation account under this  
30 subsection to thirty-five million dollars. The revenues to the  
31 multimodal transportation account reflected in this subsection provide  
32 ongoing support for the transportation programs of the state. However,  
33 it is the intent of the legislature that any new long-term financial  
34 support that may be subsequently provided for transportation programs  
35 will be used to replace and supplant the revenues reflected in this  
36 subsection, thereby allowing those revenues to be returned to the  
37 purposes to which they were previously dedicated. No transfers from

1 the emergency reserve fund to the multimodal fund shall be made during  
2 the ((2003-05)) 2005-2007 fiscal biennium.

3 **Sec. 929.** RCW 43.320.110 and 2003 1st sp.s. c 25 s 921 and 2003 c  
4 288 s 1 are each reenacted and amended to read as follows:

5 There is created a local fund known as the "financial services  
6 regulation fund" which shall consist of all moneys received by the  
7 divisions of the department of financial institutions, except for the  
8 division of securities which shall deposit thirteen percent of all  
9 moneys received, except as provided in RCW 43.320.115, and which shall  
10 be used for the purchase of supplies and necessary equipment; the  
11 payment of salaries, wages, and utilities; the establishment of  
12 reserves; and other incidental costs required for the proper regulation  
13 of individuals and entities subject to regulation by the department.  
14 The state treasurer shall be the custodian of the fund. Disbursements  
15 from the fund shall be on authorization of the director of financial  
16 institutions or the director's designee. In order to maintain an  
17 effective expenditure and revenue control, the fund shall be subject in  
18 all respects to chapter 43.88 RCW, but no appropriation is required to  
19 permit expenditures and payment of obligations from the fund.

20 During the 2005-2007 fiscal biennium, the legislature may transfer  
21 from the financial services regulation fund to the state general fund  
22 such amounts as reflect the excess fund balance of the fund.

23 **Sec. 930.** RCW 50.16.010 and 2003 2nd sp.s. c 4 s 23 and 2003 1st  
24 sp.s. c 25 s 925 are each reenacted and amended to read as follows:

25 (1) There shall be maintained as special funds, separate and apart  
26 from all public moneys or funds of this state an unemployment  
27 compensation fund, an administrative contingency fund, and a federal  
28 interest payment fund, which shall be administered by the commissioner  
29 exclusively for the purposes of this title, and to which RCW 43.01.050  
30 shall not be applicable.

31 (2)(a) The unemployment compensation fund shall consist of:

32 (i) All contributions collected under RCW 50.24.010 and payments in  
33 lieu of contributions collected pursuant to the provisions of this  
34 title;

35 (ii) Any property or securities acquired through the use of moneys  
36 belonging to the fund;

1 (iii) All earnings of such property or securities;  
2 (iv) Any moneys received from the federal unemployment account in  
3 the unemployment trust fund in accordance with Title XII of the social  
4 security act, as amended;  
5 (v) All money recovered on official bonds for losses sustained by  
6 the fund;  
7 (vi) All money credited to this state's account in the unemployment  
8 trust fund pursuant to section 903 of the social security act, as  
9 amended;  
10 (vii) All money received from the federal government as  
11 reimbursement pursuant to section 204 of the federal-state extended  
12 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and  
13 (viii) All moneys received for the fund from any other source.  
14 (b) All moneys in the unemployment compensation fund shall be  
15 commingled and undivided.  
16 (3)(a) Except as provided in (b) of this subsection, the  
17 administrative contingency fund shall consist of:  
18 (i) All interest on delinquent contributions collected pursuant to  
19 this title;  
20 (ii) All fines and penalties collected pursuant to the provisions  
21 of this title;  
22 (iii) All sums recovered on official bonds for losses sustained by  
23 the fund; and  
24 (iv) Revenue received under RCW 50.24.014.  
25 (b) All fees, fines, forfeitures, and penalties collected or  
26 assessed by a district court because of the violation of this title or  
27 rules adopted under this title shall be remitted as provided in chapter  
28 3.62 RCW.  
29 (c) Moneys available in the administrative contingency fund, other  
30 than money in the special account created under RCW 50.24.014(1)(a),  
31 shall be expended upon the direction of the commissioner, with the  
32 approval of the governor, whenever it appears to him or her that such  
33 expenditure is necessary solely for:  
34 (i) The proper administration of this title and no federal funds  
35 are available for the specific purpose to which such expenditure is to  
36 be made, provided, the moneys are not substituted for appropriations  
37 from federal funds which, in the absence of such moneys, would be made  
38 available.

1 (ii) The proper administration of this title for which purpose  
2 appropriations from federal funds have been requested but not yet  
3 received, provided, the administrative contingency fund will be  
4 reimbursed upon receipt of the requested federal appropriation.

5 (iii) The proper administration of this title for which compliance  
6 and audit issues have been identified that establish federal claims  
7 requiring the expenditure of state resources in resolution. Claims  
8 must be resolved in the following priority: First priority is to  
9 provide services to eligible participants within the state; second  
10 priority is to provide substitute services or program support; and last  
11 priority is the direct payment of funds to the federal government.

12 (d) During the (~~2003-2005~~) 2005-2007 fiscal biennium, the cost of  
13 the job skills program and the alliance for corporate education at  
14 community and technical colleges as appropriated by the legislature.

15 Money in the special account created under RCW 50.24.014(1)(a) may  
16 only be expended, after appropriation, for the purposes specified in  
17 this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,  
18 50.44.053, and 50.22.010.

19 **Sec. 931.** RCW 66.16.010 and 2003 1st sp.s. c 25 s 928 are each  
20 amended to read as follows:

21 (1) There shall be established at such places throughout the state  
22 as the liquor control board, constituted under this title, shall deem  
23 advisable, stores to be known as "state liquor stores," for the sale of  
24 liquor in accordance with the provisions of this title and the  
25 regulations: PROVIDED, That the prices of all liquor shall be fixed by  
26 the board from time to time so that the net annual revenue received by  
27 the board therefrom shall not exceed thirty-five percent. Effective no  
28 later than (~~September 1, 2003~~) July 1, 2005, the liquor control board  
29 shall add an equivalent surcharge of \$0.42 per liter on all retail  
30 sales of spirits, excluding licensee, military, and tribal sales. The  
31 intent of this surcharge is to raise (~~(\$14,000,000 in additional)~~)  
32 revenue for the general fund-state (~~revenue~~) for the (~~2003-~~)2005-  
33 2007 biennium. (~~To the extent that a lesser surcharge is sufficient~~  
34 ~~to raise \$14,000,000, the board may reduce the amount of the~~  
35 ~~surcharge.~~) The board shall remove the surcharge (~~once it generates~~  
36 ~~\$14,000,000, but no later than~~) June 30, (~~2005~~) 2007.

1 (2) The liquor control board may, from time to time, fix the  
2 special price at which pure ethyl alcohol may be sold to physicians and  
3 dentists and institutions regularly conducted as hospitals, for use or  
4 consumption only in such hospitals; and may also fix the special price  
5 at which pure ethyl alcohol may be sold to schools, colleges and  
6 universities within the state for use for scientific purposes.  
7 Regularly conducted hospitals may have right to purchase pure ethyl  
8 alcohol on a federal permit.

9 (3) The liquor control board may also fix the special price at  
10 which pure ethyl alcohol may be sold to any department, branch or  
11 institution of the state of Washington, federal government, or to any  
12 person engaged in a manufacturing or industrial business or in  
13 scientific pursuits requiring alcohol for use therein.

14 (4) The liquor control board may also fix a special price at which  
15 pure ethyl alcohol may be sold to any private individual, and shall  
16 make regulations governing such sale of alcohol to private individuals  
17 as shall promote, as nearly as may be, the minimum purchase of such  
18 alcohol by such persons.

19 **Sec. 932.** RCW 67.40.040 and 2003 1st sp.s. c 25 s 929 are each  
20 amended to read as follows:

21 (1) The proceeds from the sale of the bonds authorized in RCW  
22 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and  
23 67.40.130, and all other moneys received by the state convention and  
24 trade center from any public or private source which are intended to  
25 fund the acquisition, design, construction, expansion, exterior cleanup  
26 and repair of the Eagles building, conversion of various retail and  
27 other space to meeting rooms, purchase of the land and building known  
28 as the McKay Parcel, development of low-income housing, or renovation  
29 of the center, and those expenditures authorized under RCW 67.40.170  
30 shall be deposited in the state convention and trade center account  
31 hereby created in the state treasury and in such subaccounts as are  
32 deemed appropriate by the directors of the corporation.

33 (2) Moneys in the account, including unanticipated revenues under  
34 RCW 43.79.270, shall be used exclusively for the following purposes in  
35 the following priority:

36 (a) For reimbursement of the state general fund under RCW  
37 67.40.060;

1 (b) After appropriation by statute:

2 (i) For payment of expenses incurred in the issuance and sale of  
3 the bonds issued under RCW 67.40.030;

4 (ii) For expenditures authorized in RCW 67.40.170;

5 (iii) For acquisition, design, and construction of the state  
6 convention and trade center; and

7 (iv) For reimbursement of any expenditures from the state general  
8 fund in support of the state convention and trade center; and

9 (c) For transfer to the state convention and trade center  
10 operations account.

11 (3) The corporation shall identify with specificity those  
12 facilities of the state convention and trade center that are to be  
13 financed with proceeds of general obligation bonds, the interest on  
14 which is intended to be excluded from gross income for federal income  
15 tax purposes. The corporation shall not permit the extent or manner of  
16 private business use of those bond-financed facilities to be  
17 inconsistent with treatment of such bonds as governmental bonds under  
18 applicable provisions of the Internal Revenue Code of 1986, as amended.

19 (4) In order to ensure consistent treatment of bonds authorized  
20 under RCW 67.40.030 with applicable provisions of the Internal Revenue  
21 Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment  
22 earnings on bond proceeds deposited in the state convention and trade  
23 center account in the state treasury shall be retained in the account,  
24 and shall be expended by the corporation for the purposes authorized  
25 under chapter 386, Laws of 1995 and in a manner consistent with  
26 applicable provisions of the Internal Revenue Code of 1986, as amended.

27 (5) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature  
28 may transfer from the state convention and trade center account to the  
29 state general fund such amounts as reflect the excess fund balance of  
30 the account.

31 **Sec. 933.** RCW 69.50.520 and 2004 c 276 s 912 are each amended to  
32 read as follows:

33 The violence reduction and drug enforcement account is created in  
34 the state treasury. All designated receipts from RCW 9.41.110(8),  
35 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150(5),  
36 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989  
37 shall be deposited into the account. Expenditures from the account may

1 be used only for funding services and programs under chapter 271, Laws  
2 of 1989 and chapter 7, Laws of 1994 sp. sess., including state  
3 incarceration costs. Funds from the account may also be appropriated  
4 to reimburse local governments for costs associated with implementing  
5 criminal justice legislation including chapter 338, Laws of 1997.  
6 During the ((2003-2005)) 2005-2007 biennium, funds from the account may  
7 also be used for costs associated with providing grants to local  
8 governments in accordance with chapter 338, Laws of 1997, funding drug  
9 offender treatment services in accordance with RCW 70.96A.350,  
10 maintenance and operating costs of the Washington association of  
11 sheriffs and police chiefs jail reporting system, maintenance and  
12 operating costs of the juvenile rehabilitation administration's client  
13 activity tracking system, civil indigent legal representation,  
14 multijurisdictional narcotics task forces, and grants to community  
15 networks under chapter 70.190 RCW by the family policy council.

16 **Sec. 934.** RCW 70.93.180 and 1998 c 257 s 5 are each amended to  
17 read as follows:

18 (1) There is hereby created an account within the state treasury to  
19 be known as the "waste reduction, recycling, and litter control  
20 account". Moneys in the account may be spent only after appropriation.  
21 Expenditures from the waste reduction, recycling, and litter control  
22 account shall be used as follows:

23 (a) Fifty percent to the department of ecology, for use by the  
24 departments of ecology, natural resources, revenue, transportation, and  
25 corrections, and the parks and recreation commission, for use in litter  
26 collection programs, to be distributed under RCW 70.93.220. The amount  
27 to the department of ecology shall also be used for a central  
28 coordination function for litter control efforts statewide, for the  
29 biennial litter survey under RCW 70.93.200(8), and for statewide public  
30 awareness programs under RCW 70.93.200(7). The amount to the  
31 department shall also be used to defray the costs of administering the  
32 funding, coordination, and oversight of local government programs for  
33 waste reduction, litter control, and recycling, so that local  
34 governments can apply one hundred percent of their funding to achieving  
35 program goals. The amount to the department of revenue shall be used  
36 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

1 (b) Twenty percent to the department for local government funding  
2 programs for waste reduction, litter control, and recycling activities  
3 by cities and counties under RCW 70.93.250, to be administered by the  
4 department of ecology; and

5 (c) Thirty percent to the department of ecology for waste reduction  
6 and recycling efforts.

7 (2) All taxes imposed in RCW 82.19.010 and fines and bail  
8 forfeitures collected or received pursuant to this chapter shall be  
9 deposited in the waste reduction, recycling, and litter control account  
10 and used for the programs under subsection (1) of this section.

11 (3) Not less than five percent and no more than ten percent of the  
12 amount appropriated into the waste reduction, recycling, and litter  
13 control account every biennium shall be reserved for capital needs,  
14 including the purchase of vehicles for transporting crews and for  
15 collecting litter and solid waste. Capital funds shall be distributed  
16 among state agencies and local governments according to the same  
17 criteria provided in RCW 70.93.220 for the remainder of the funds, so  
18 that the most effective waste reduction, litter control, and recycling  
19 programs receive the most funding. The intent of this subsection is to  
20 provide funds for the purchase of equipment that will enable the  
21 department to account for the greatest return on investment in terms of  
22 reaching a zero litter goal.

23 (4) During the 2005-2007 fiscal biennium, the legislature may  
24 transfer from the waste reduction, recycling, and litter control  
25 account to the state general fund such amounts as reflect the excess  
26 fund balance of the account.

27 **Sec. 935.** RCW 70.105D.070 and 2003 1st sp.s. c 25 s 933 are each  
28 amended to read as follows:

29 (1) The state toxics control account and the local toxics control  
30 account are hereby created in the state treasury.

31 (2) The following moneys shall be deposited into the state toxics  
32 control account: (a) Those revenues which are raised by the tax  
33 imposed under RCW 82.21.030 and which are attributable to that portion  
34 of the rate equal to thirty-three one-hundredths of one percent; (b)  
35 the costs of remedial actions recovered under this chapter or chapter  
36 70.105A RCW; (c) penalties collected or recovered under this chapter;  
37 and (d) any other money appropriated or transferred to the account by

1 the legislature. Moneys in the account may be used only to carry out  
2 the purposes of this chapter, including but not limited to the  
3 following activities:

4 (i) The state's responsibility for hazardous waste planning,  
5 management, regulation, enforcement, technical assistance, and public  
6 education required under chapter 70.105 RCW;

7 (ii) The state's responsibility for solid waste planning,  
8 management, regulation, enforcement, technical assistance, and public  
9 education required under chapter 70.95 RCW;

10 (iii) The hazardous waste cleanup program required under this  
11 chapter;

12 (iv) State matching funds required under the federal cleanup law;

13 (v) Financial assistance for local programs in accordance with  
14 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

15 (vi) State government programs for the safe reduction, recycling,  
16 or disposal of hazardous wastes from households, small businesses, and  
17 agriculture;

18 (vii) Hazardous materials emergency response training;

19 (viii) Water and environmental health protection and monitoring  
20 programs;

21 (ix) Programs authorized under chapter 70.146 RCW;

22 (x) A public participation program, including regional citizen  
23 advisory committees;

24 (xi) Public funding to assist potentially liable persons to pay for  
25 the costs of remedial action in compliance with cleanup standards under  
26 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
27 funding are established under a settlement agreement under RCW  
28 70.105D.040(4) and when the director has found that the funding will  
29 achieve both (A) a substantially more expeditious or enhanced cleanup  
30 than would otherwise occur, and (B) the prevention or mitigation of  
31 unfair economic hardship; and

32 (xii) Development and demonstration of alternative management  
33 technologies designed to carry out the top two hazardous waste  
34 management priorities of RCW 70.105.150.

35 (3) The following moneys shall be deposited into the local toxics  
36 control account: Those revenues which are raised by the tax imposed  
37 under RCW 82.21.030 and which are attributable to that portion of the  
38 rate equal to thirty-seven one-hundredths of one percent.

1 (a) Moneys deposited in the local toxics control account shall be  
2 used by the department for grants or loans to local governments for the  
3 following purposes in descending order of priority: (i) Remedial  
4 actions; (ii) hazardous waste plans and programs under chapter 70.105  
5 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C,  
6 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the  
7 assessment and cleanup of sites of methamphetamine production, but not  
8 to be used for the initial containment of such sites, consistent with  
9 the responsibilities and intent of RCW 69.50.511; and (v) cleanup and  
10 disposal of hazardous substances from abandoned or derelict vessels  
11 that pose a threat to human health or the environment. For purposes of  
12 this subsection (3)(a)(v), "abandoned or derelict vessels" means  
13 vessels that have little or no value and either have no identified  
14 owner or have an identified owner lacking financial resources to clean  
15 up and dispose of the vessel. Funds for plans and programs shall be  
16 allocated consistent with the priorities and matching requirements  
17 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During  
18 the 1999-2001 fiscal biennium, moneys in the account may also be used  
19 for the following activities: Conducting a study of whether dioxins  
20 occur in fertilizers, soil amendments, and soils; reviewing  
21 applications for registration of fertilizers; and conducting a study of  
22 plant uptake of metals. (~~During the 2003-05 fiscal biennium, the~~  
23 ~~legislature may transfer from the local toxics control account to the~~  
24 ~~state toxics control account such amounts as specified in the omnibus~~  
25 ~~operating budget bill for methamphetamine lab cleanup.)) During the  
26 2005-2007 fiscal biennium, moneys in the account may also be used for  
27 grants to local governments to retrofit public sector diesel equipment  
28 and for storm water planning and implementation activities.~~

29 (b) Funds may also be appropriated to the department of health to  
30 implement programs to reduce testing requirements under the federal  
31 safe drinking water act for public water systems. The department of  
32 health shall reimburse the account from fees assessed under RCW  
33 70.119A.115 by June 30, 1995.

34 (4) Except for unanticipated receipts under RCW 43.79.260 through  
35 43.79.282, moneys in the state and local toxics control accounts may be  
36 spent only after appropriation by statute.

37 (5) One percent of the moneys deposited into the state and local  
38 toxics control accounts shall be allocated only for public

1 participation grants to persons who may be adversely affected by a  
2 release or threatened release of a hazardous substance and to not-for-  
3 profit public interest organizations. The primary purpose of these  
4 grants is to facilitate the participation by persons and organizations  
5 in the investigation and remedying of releases or threatened releases  
6 of hazardous substances and to implement the state's solid and  
7 hazardous waste management priorities. However, during the 1999-2001  
8 fiscal biennium, funding may not be granted to entities engaged in  
9 lobbying activities, and applicants may not be awarded grants if their  
10 cumulative grant awards under this section exceed two hundred thousand  
11 dollars. No grant may exceed sixty thousand dollars. Grants may be  
12 renewed annually. Moneys appropriated for public participation from  
13 either account which are not expended at the close of any biennium  
14 shall revert to the state toxics control account.

15 (6) No moneys deposited into either the state or local toxics  
16 control account may be used for solid waste incinerator feasibility  
17 studies, construction, maintenance, or operation.

18 (7) The department shall adopt rules for grant or loan issuance and  
19 performance.

20 (8) During the 2005-2007 fiscal biennium, the legislature may  
21 transfer from the state toxics control account to the state general  
22 fund such amounts as reflect the excess fund balance of the fund.

23 **Sec. 936.** RCW 70.146.030 and 2004 c 277 s 909 are each amended to  
24 read as follows:

25 (1) The water quality account is hereby created in the state  
26 treasury. Moneys in the account may be used only in a manner  
27 consistent with this chapter. Moneys deposited in the account shall be  
28 administered by the department of ecology and shall be subject to  
29 legislative appropriation. Moneys placed in the account shall include  
30 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,  
31 principal and interest from the repayment of any loans granted pursuant  
32 to this chapter, and any other moneys appropriated to the account by  
33 the legislature.

34 (2) The department may use or permit the use of any moneys in the  
35 account to make grants or loans to public bodies, including grants to  
36 public bodies as cost-sharing moneys in any case where federal, local,  
37 or other funds are made available on a cost-sharing basis, for water

1 pollution control facilities and activities, or for purposes of  
2 assisting a public body to obtain an ownership interest in water  
3 pollution control facilities and/or to defray a part of the payments  
4 made by a public body to a service provider under a service agreement  
5 entered into pursuant to RCW 70.150.060, within the purposes of this  
6 chapter and for related administrative expenses. For the period July  
7 1, ((2003)) 2005, to June 30, ((2005)) 2007, moneys in the account may  
8 be used to process applications received by the department that seek to  
9 make changes to or transfer existing water rights, for water conveyance  
10 projects, and for grants and technical assistance to public bodies for  
11 watershed planning under chapter 90.82 RCW. No more than three percent  
12 of the moneys deposited in the account may be used by the department to  
13 pay for the administration of the grant and loan program authorized by  
14 this chapter.

15 (3) Beginning with the biennium ending June 30, 1997, the  
16 department shall present a biennial progress report on the use of  
17 moneys from the account to the chairs of the senate committee on ways  
18 and means and the house of representatives committee on appropriations.  
19 The first report is due June 30, 1996, and the report for each  
20 succeeding biennium is due December 31 of the odd-numbered year. The  
21 report shall consist of a list of each recipient, project description,  
22 and amount of the grant, loan, or both.

23 **Sec. 937.** RCW 70.146.080 and 2003 1st sp.s. c 25 s 935 are each  
24 amended to read as follows:

25 Within thirty days after June 30, 1987, and within thirty days  
26 after each succeeding fiscal year thereafter, the state treasurer shall  
27 determine the tax receipts deposited into the water quality account for  
28 the preceding fiscal year. If the tax receipts deposited into the  
29 account in each of the fiscal years 1988 and 1989 are less than forty  
30 million dollars, the state treasurer shall transfer sufficient moneys  
31 from general state revenues into the water quality account to bring the  
32 total receipts in each fiscal year up to forty million dollars.

33 For the biennium ending June 30, 1991, if the tax receipts  
34 deposited into the water quality account and the earnings on investment  
35 of balances credited to the account are less than ninety million  
36 dollars, the treasurer shall transfer sufficient moneys from general

1 state revenues into the water quality account to bring the total  
2 revenue up to ninety million dollars. The determination and transfer  
3 shall be made by July 31, 1991.

4 For fiscal year 1992 and for fiscal years 1995 and 1996 and  
5 thereafter, if the tax receipts deposited into the water quality  
6 account for each fiscal year are less than forty-five million dollars,  
7 the treasurer shall transfer sufficient moneys from general state  
8 revenues into the water quality account to bring the total revenue up  
9 to forty-five million dollars. However, during the ((2003-05)) 2005-  
10 2007 fiscal biennium, the legislature may specify the transfer of a  
11 different amount in the operating budget bill. Determinations and  
12 transfers shall be made by July 31 for the preceding fiscal year.

13 **Sec. 938.** RCW 70.148.020 and 1999 c 73 s 1 are each amended to  
14 read as follows:

15 (1) The pollution liability insurance program trust account is  
16 established in the custody of the state treasurer. All funds  
17 appropriated for this chapter and all premiums collected for  
18 reinsurance shall be deposited in the account. Expenditures from the  
19 account shall be used exclusively for the purposes of this chapter  
20 including payment of costs of administering the pollution liability  
21 insurance and underground storage tank community assistance programs.  
22 Expenditures for payment of administrative and operating costs of the  
23 agency are subject to the allotment procedures under chapter 43.88 RCW  
24 and may be made only after appropriation by statute. No appropriation  
25 is required for other expenditures from the account.

26 (2) Each calendar quarter, the director shall report to the  
27 insurance commissioner the loss and surplus reserves required for the  
28 calendar quarter. The director shall notify the department of revenue  
29 of this amount by the fifteenth day of each calendar quarter.

30 (3) Each calendar quarter the director shall determine the amount  
31 of reserves necessary to fund commitments made to provide financial  
32 assistance under RCW 70.148.130 to the extent that the financial  
33 assistance reserves do not jeopardize the operations and liabilities of  
34 the pollution liability insurance program. The director shall notify  
35 the department of revenue of this amount by the fifteenth day of each  
36 calendar quarter. The director may immediately establish an initial

1 financial assistance reserve of five million dollars from available  
2 revenues. The director may not expend more than fifteen million  
3 dollars for the financial assistance program.

4 (4) During the 2005-2007 fiscal biennium, the legislature may  
5 transfer from the pollution liability insurance program trust account  
6 to the state general fund such amounts as reflect the excess fund  
7 balance of the account.

8 (5) This section expires June 1, (~~(2001-2007)~~) 2007.

9 **Sec. 939.** RCW 72.11.040 and 2003 1st sp.s. c 25 s 936 are each  
10 amended to read as follows:

11 The cost of supervision fund is created in the custody of the state  
12 treasurer. All receipts from assessments made under RCW 9.94A.780 and  
13 72.04A.120 shall be deposited into the fund. Expenditures from the  
14 fund may be used only to support the collection of legal financial  
15 obligations. During the (~~(2003-2005)~~) 2005-2007 biennium, funds from  
16 the account may also be used for costs associated with the department's  
17 supervision of the offenders in the community. Only the secretary of  
18 the department of corrections or the secretary's designee may authorize  
19 expenditures from the fund. The fund is subject to allotment  
20 procedures under chapter 43.88 RCW, but no appropriation is required  
21 for expenditures.

22 **Sec. 940.** RCW 74.46.431 and 2004 c 276 s 913 are each amended to  
23 read as follows:

24 (1) Effective July 1, 1999, nursing facility medicaid payment rate  
25 allocations shall be facility-specific and shall have seven components:  
26 Direct care, therapy care, support services, operations, property,  
27 financing allowance, and variable return. The department shall  
28 establish and adjust each of these components, as provided in this  
29 section and elsewhere in this chapter, for each medicaid nursing  
30 facility in this state.

31 (2) All component rate allocations for essential community  
32 providers as defined in this chapter shall be based upon a minimum  
33 facility occupancy of eighty-five percent of licensed beds, regardless  
34 of how many beds are set up or in use. For all facilities other than  
35 essential community providers, effective July 1, 2001, component rate  
36 allocations in direct care, therapy care, support services, variable

1 return, operations, property, and financing allowance shall continue to  
2 be based upon a minimum facility occupancy of eighty-five percent of  
3 licensed beds. For all facilities other than essential community  
4 providers, effective July 1, 2002, the component rate allocations in  
5 operations, property, and financing allowance shall be based upon a  
6 minimum facility occupancy of ninety percent of licensed beds,  
7 regardless of how many beds are set up or in use.

8 (3) Information and data sources used in determining medicaid  
9 payment rate allocations, including formulas, procedures, cost report  
10 periods, resident assessment instrument formats, resident assessment  
11 methodologies, and resident classification and case mix weighting  
12 methodologies, may be substituted or altered from time to time as  
13 determined by the department.

14 (4)(a) Direct care component rate allocations shall be established  
15 using adjusted cost report data covering at least six months. Adjusted  
16 cost report data from 1996 will be used for October 1, 1998, through  
17 June 30, 2001, direct care component rate allocations; adjusted cost  
18 report data from 1999 will be used for July 1, 2001, through June 30,  
19 2005, direct care component rate allocations. Adjusted cost report  
20 data from 1999 will continue to be used for July 1, 2005, and later  
21 direct care component rate allocations.

22 (b) Direct care component rate allocations based on 1996 cost  
23 report data shall be adjusted annually for economic trends and  
24 conditions by a factor or factors defined in the biennial  
25 appropriations act. A different economic trends and conditions  
26 adjustment factor or factors may be defined in the biennial  
27 appropriations act for facilities whose direct care component rate is  
28 set equal to their adjusted June 30, 1998, rate, as provided in RCW  
29 74.46.506(5)(i).

30 (c) Direct care component rate allocations based on 1999 cost  
31 report data shall be adjusted annually for economic trends and  
32 conditions by a factor or factors defined in the biennial  
33 appropriations act. A different economic trends and conditions  
34 adjustment factor or factors may be defined in the biennial  
35 appropriations act for facilities whose direct care component rate is  
36 set equal to their adjusted June 30, 1998, rate, as provided in RCW  
37 74.46.506(5)(i).

1 (5)(a) Therapy care component rate allocations shall be established  
2 using adjusted cost report data covering at least six months. Adjusted  
3 cost report data from 1996 will be used for October 1, 1998, through  
4 June 30, 2001, therapy care component rate allocations; adjusted cost  
5 report data from 1999 will be used for July 1, 2001, through June 30,  
6 2005, therapy care component rate allocations. Adjusted cost report  
7 data from 1999 will continue to be used for July 1, 2005, and later  
8 therapy care component rate allocations.

9 (b) Therapy care component rate allocations shall be adjusted  
10 annually for economic trends and conditions by a factor or factors  
11 defined in the biennial appropriations act.

12 (6)(a) Support services component rate allocations shall be  
13 established using adjusted cost report data covering at least six  
14 months. Adjusted cost report data from 1996 shall be used for October  
15 1, 1998, through June 30, 2001, support services component rate  
16 allocations; adjusted cost report data from 1999 shall be used for July  
17 1, 2001, through June 30, 2005, support services component rate  
18 allocations. Adjusted cost report data from 1999 will continue to be  
19 used for July 1, 2005, and later support services component rate  
20 allocations.

21 (b) Support services component rate allocations shall be adjusted  
22 annually for economic trends and conditions by a factor or factors  
23 defined in the biennial appropriations act.

24 (7)(a) Operations component rate allocations shall be established  
25 using adjusted cost report data covering at least six months. Adjusted  
26 cost report data from 1996 shall be used for October 1, 1998, through  
27 June 30, 2001, operations component rate allocations; adjusted cost  
28 report data from 1999 shall be used for July 1, 2001, through June 30,  
29 2005, operations component rate allocations. Adjusted cost report data  
30 from 1999 will continue to be used for July 1, 2005, and later  
31 operations component rate allocations.

32 (b) Operations component rate allocations shall be adjusted  
33 annually for economic trends and conditions by a factor or factors  
34 defined in the biennial appropriations act.

35 (8) For July 1, 1998, through September 30, 1998, a facility's  
36 property and return on investment component rates shall be the  
37 facility's June 30, 1998, property and return on investment component  
38 rates, without increase. For October 1, 1998, through June 30, 1999,

1 a facility's property and return on investment component rates shall be  
2 rebased utilizing 1997 adjusted cost report data covering at least six  
3 months of data.

4 (9) Total payment rates under the nursing facility medicaid payment  
5 system shall not exceed facility rates charged to the general public  
6 for comparable services.

7 (10) Medicaid contractors shall pay to all facility staff a minimum  
8 wage of the greater of the state minimum wage or the federal minimum  
9 wage.

10 (11) The department shall establish in rule procedures, principles,  
11 and conditions for determining component rate allocations for  
12 facilities in circumstances not directly addressed by this chapter,  
13 including but not limited to: The need to prorate inflation for  
14 partial-period cost report data, newly constructed facilities, existing  
15 facilities entering the medicaid program for the first time or after a  
16 period of absence from the program, existing facilities with expanded  
17 new bed capacity, existing medicaid facilities following a change of  
18 ownership of the nursing facility business, facilities banking beds or  
19 converting beds back into service, facilities temporarily reducing the  
20 number of set-up beds during a remodel, facilities having less than six  
21 months of either resident assessment, cost report data, or both, under  
22 the current contractor prior to rate setting, and other circumstances.

23 (12) The department shall establish in rule procedures, principles,  
24 and conditions, including necessary threshold costs, for adjusting  
25 rates to reflect capital improvements or new requirements imposed by  
26 the department or the federal government. Any such rate adjustments  
27 are subject to the provisions of RCW 74.46.421.

28 (13) Effective July 1, 2001, medicaid rates shall continue to be  
29 revised downward in all components, in accordance with department  
30 rules, for facilities converting banked beds to active service under  
31 chapter 70.38 RCW, by using the facility's increased licensed bed  
32 capacity to recalculate minimum occupancy for rate setting. However,  
33 for facilities other than essential community providers which bank beds  
34 under chapter 70.38 RCW, after May 25, 2001, medicaid rates shall be  
35 revised upward, in accordance with department rules, in direct care,  
36 therapy care, support services, and variable return components only, by  
37 using the facility's decreased licensed bed capacity to recalculate

1 minimum occupancy for rate setting, but no upward revision shall be  
2 made to operations, property, or financing allowance component rates.

3 (14) Facilities obtaining a certificate of need or a certificate of  
4 need exemption under chapter 70.38 RCW after June 30, 2001, must have  
5 a certificate of capital authorization in order for (a) the  
6 depreciation resulting from the capitalized addition to be included in  
7 calculation of the facility's property component rate allocation; and  
8 (b) the net invested funds associated with the capitalized addition to  
9 be included in calculation of the facility's financing allowance rate  
10 allocation.

11 **Sec. 941.** RCW 79.64.040 and 2004 c 199 s 227 are each amended to  
12 read as follows:

13 (1) The board shall determine the amount deemed necessary in order  
14 to achieve the purposes of this chapter and shall provide by rule for  
15 the deduction of this amount from the moneys received from all leases,  
16 sales, contracts, licenses, permits, easements, and rights of way  
17 issued by the department and affecting state lands and aquatic lands,  
18 provided that no deduction shall be made from the proceeds from  
19 agricultural college lands.

20 (2) Moneys received as deposits from successful bidders, advance  
21 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150  
22 prior to December 1, 1981, which have not been subjected to deduction  
23 under this section are not subject to deduction under this section.

24 (3) Except as otherwise provided in subsection (5) of this section,  
25 the deductions authorized under this section shall ((in no event)) not  
26 exceed twenty-five percent of the moneys received by the department in  
27 connection with any one transaction pertaining to state lands and  
28 aquatic lands other than second class tide and shore lands and the beds  
29 of navigable waters, and fifty percent of the moneys received by the  
30 department pertaining to second class tide and shore lands and the beds  
31 of navigable waters.

32 (4) In the event that the department sells logs using the contract  
33 harvesting process described in RCW 79.15.500 through 79.15.530, the  
34 moneys received subject to this section are the net proceeds from the  
35 contract harvesting sale.

36 (5) During fiscal year 2006 only, the twenty-five percent  
37 limitation on deductions set in subsection (3) of this section may be

1 increased to thirty percent by the board. If so increased, the  
2 department must provide a report by January 9, 2006 to the appropriate  
3 committees of the legislature on the use of the increased amount.

4 **Sec. 942.** RCW 79.90.245 and 2004 c 276 s 914 are each amended to  
5 read as follows:

6 After deduction for management costs as provided in RCW 79.64.040  
7 and payments to towns under RCW 79.92.110(2), all moneys received by  
8 the state from the sale or lease of state-owned aquatic lands and from  
9 the sale of valuable material from state-owned aquatic lands shall be  
10 deposited in the aquatic lands enhancement account which is hereby  
11 created in the state treasury. After appropriation, these funds shall  
12 be used solely for aquatic lands enhancement projects; for the  
13 purchase, improvement, or protection of aquatic lands for public  
14 purposes; for providing and improving access to such lands; and for  
15 volunteer cooperative fish and game projects.

16 In providing grants for aquatic lands enhancement projects, the  
17 department shall require grant recipients to incorporate the  
18 environmental benefits of the project into their grant applications,  
19 and the department shall utilize the statement of environmental  
20 benefits in its prioritization and selection process. The department  
21 shall also develop appropriate outcome-focused performance measures to  
22 be used both for management and performance assessment of the grants.  
23 To the extent possible, the department should coordinate its  
24 performance measure system with other natural resource-related agencies  
25 as defined in RCW 43.41.270. The department shall consult with  
26 affected interest groups in implementing this section.

27 During the fiscal biennium ending June 30, (~~(2005)~~) 2007, the funds  
28 may be appropriated for boating safety, settlement costs for aquatic  
29 lands cleanup, and shellfish management, enforcement, and enhancement  
30 and assistance to local governments for septic system surveys and data  
31 bases.

32 **Sec. 943.** RCW 86.26.007 and 2003 1st sp.s. c 25 s 943 are each  
33 amended to read as follows:

34 The flood control assistance account is hereby established in the  
35 state treasury. At the beginning of the (~~(1997-99 fiscal biennium and~~  
36 ~~each)) 2005-2007 fiscal biennium, the state treasurer shall transfer~~

1 two million dollars from the general fund to the flood control  
2 assistance account. Each biennium thereafter the state treasurer shall  
3 transfer four million dollars from the general fund to the flood  
4 control assistance account. Moneys in the flood control assistance  
5 account may be spent only after appropriation for purposes specified  
6 under this chapter. (~~During the 2003-2005 fiscal biennium, the~~  
7 ~~legislature may transfer from the flood control assistance account to~~  
8 ~~the state general fund such amounts as reflect the excess fund balance~~  
9 ~~of the account.))~~

10 NEW SECTION. Sec. 944. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
11 UNFUNDED PENSION LIABILITY. (1) It is the intent of the legislature to  
12 use one-half of state general fund revenues that are received by the  
13 state in excess of revenues assumed in this act to reduce the unfunded  
14 liabilities in the public employees' retirement system and the  
15 teachers' retirement system, plans 1.

16 (2)(a) The office of financial management shall calculate the  
17 difference between the June 2005 general fund state revenue forecast  
18 and the amount of revenues assumed in this act. If the official  
19 revenue forecast is greater than the revenue assumed in this act when  
20 enacted, the state actuary shall be immediately notified of this  
21 difference.

22 (b) Upon notification of additional forecasted revenues under (a)  
23 of this subsection by the office of financial management, the state  
24 actuary shall calculate the contribution rates that may be assessed on  
25 the employers of public employees' retirement system, the school  
26 employees' retirement system, and the teachers' retirement system  
27 members to reduce the unfunded liabilities in the public employees'  
28 retirement system and the teachers' retirement system, plans 1. The  
29 contribution rates calculated shall be applied to all employers and  
30 shall be projected to generate a general fund state cost of fifty  
31 percent of the additional forecasted general fund state revenues, in  
32 addition to costs attributed to other funds. The state actuary shall  
33 notify the office of financial management and the fiscal committees of  
34 the legislature of the contribution rates calculated under this  
35 subsection.

36 (c) The office of financial management and the state actuary shall  
37 conduct the same activities outlined in (a) and (b) of this subsection

1 for any difference between the June 2006 general fund state revenue  
2 forecast and the amount of revenues assumed in the 2005 general fund  
3 supplemental state operating budget.

4 NEW SECTION. **Sec. 945. COMPENSATION--INSURANCE BENEFITS.** The  
5 appropriations for state agencies, including institutions of higher  
6 education are subject to the following conditions and limitations:

7 (1)(a) The monthly employer funding rate for insurance benefit  
8 premiums, public employees' benefits board administration, and the  
9 uniform medical plan, shall not exceed \$663.00 per eligible employee  
10 for fiscal year 2006. For fiscal year 2007 the monthly employer  
11 funding rate shall not exceed \$744.00 per eligible represented employee  
12 or \$618.00 per eligible nonrepresented employee.

13 (b) In order to achieve the level of funding provided for health  
14 benefits, the public employees' benefits board shall require any or all  
15 of the following: Employee premium copayments, increases in  
16 point-of-service cost sharing, the implementation of managed  
17 competition, or make other changes to benefits consistent with RCW  
18 41.05.065.

19 (c) The health care authority shall deposit any moneys received on  
20 behalf of the uniform medical plan as a result of rebates on  
21 prescription drugs, audits of hospitals, subrogation payments, or any  
22 other moneys recovered as a result of prior uniform medical plan claims  
23 payments, into the public employees' and retirees' insurance account to  
24 be used for insurance benefits. Such receipts shall not be used for  
25 administrative expenditures.

26 (2) The health care authority, subject to the approval of the  
27 public employees' benefits board, shall provide subsidies for health  
28 benefit premiums to eligible retired or disabled public employees and  
29 school district employees who are eligible for medicare, pursuant to  
30 RCW 41.05.085. From January 1, 2006, through December 31, 2006, the  
31 subsidy shall be \$131.87. Starting January 1, 2007, the subsidy shall  
32 be \$149.67 per month.

33 (3) Technical colleges, school districts, and educational service  
34 districts shall remit to the health care authority for deposit into the  
35 public employees' and retirees' insurance account established in RCW  
36 41.05.120 the following amounts:

1 (a) For each full-time employee, \$48.42 per month beginning  
2 September 1, 2005, and \$55.73 beginning September 1, 2006;

3 (b) For each part-time employee who, at the time of the remittance,  
4 is employed in an eligible position as defined in RCW 41.32.010 or  
5 41.40.010 and is eligible for employer fringe benefit contributions for  
6 basic benefits, \$48.42 each month beginning September 1, 2005, and  
7 \$55.73 beginning September 1, 2006, prorated by the proportion of  
8 employer fringe benefit contributions for a full-time employee that the  
9 part-time employee receives. The remittance requirements specified in  
10 this subsection shall not apply to employees of a technical college,  
11 school district, or educational service district who purchase insurance  
12 benefits through contracts with the health care authority.

13 NEW SECTION. **Sec. 946. NONREPRESENTED EMPLOYEE COMPENSATION.**

14 The appropriations for nonrepresented employee compensation adjustments  
15 are provided solely for:

16 (1) Salary Cost of Living Adjustments.

17 (a) Appropriations are provided for a 3.2% salary increase  
18 effective September 1, 2005, for all classified employees, except those  
19 represented by a collective bargaining unit under the personnel system  
20 reform act of 2002, and except the certificated employees of the state  
21 schools for the deaf and blind and employees of community and technical  
22 colleges covered by the provisions of Initiative Measure No. 732. Also  
23 included are employees in the Washington management service, and exempt  
24 employees under the jurisdiction of the personnel resources board or  
25 the director of personnel, as applicable. However, community and  
26 technical colleges shall increase salaries of all classified staff not  
27 covered by Initiative Measure No. 732 or by a collective bargaining  
28 agreement under the personnel system reform act of 2002 by 3.2% of pay  
29 effective July 1, 2005. Community and technical colleges shall provide  
30 to exempt professional staff an average salary increase of 3.2% of pay.  
31 The appropriations are also sufficient to fund for the four-year higher  
32 education institutions an average salary increase of 3.2% effective  
33 July 1, 2005, for faculty, exempt administrative and professional  
34 staff, graduate assistants, and other nonclassified staff. Funds  
35 provided in this section may not be used for any other purpose by  
36 institutions of higher education, including for other pay increases.

1       The appropriations are also sufficient to fund a 3.2% salary  
2 increase effective September 1, 2005, for general government,  
3 legislative, and judicial employees exempt from merit system rules  
4 whose maximum salaries are not set by the commission on salaries for  
5 elected officials.

6       (b) Appropriations are provided for a 1.6% salary increase  
7 effective September 1, 2006, until June 30, 2007, for all classified  
8 employees, except those represented by a collective bargaining unit  
9 under the personnel system reform act of 2002, and except the  
10 certificated employees of the state schools for the deaf and blind and  
11 employees of community and technical colleges covered by the provisions  
12 of Initiative Measure No. 732. Also included are employees in the  
13 Washington management service, and exempt employees under the  
14 jurisdiction of the personnel resources board or the director of  
15 personnel, as applicable. However, community and technical colleges  
16 shall increase salaries of all classified and instructional staff not  
17 covered by Initiative Measure No. 732 or by a collective bargaining  
18 agreement under the personnel system reform act of 2002 by 1.6% of pay  
19 effective July 1, 2006, until June 30, 2007. The appropriations are  
20 also sufficient to fund for the four-year higher education institutions  
21 an average salary increase of 1.6% effective July 1, 2006, for faculty,  
22 exempt administrative and professional staff, graduate assistants, and  
23 other nonclassified staff. Funds provided in this section may not be  
24 used for any other purpose by institutions of higher education,  
25 including for other pay increases. The appropriations are also  
26 sufficient to fund a 1.6% salary increase effective September 1, 2005,  
27 until June 30, 2007, for general government, legislative, and judicial  
28 employees exempt from merit system rules whose maximum salaries are not  
29 set by the commission on salaries for elected officials.

30       (2) Salary Survey.

31       For state employees, except those represented by a bargaining unit  
32 under the personnel system reform act of 2002, funding is provided for  
33 implementation of the department of personnel's 2002 salary survey, for  
34 job classes more than 25% below market rates.

35       NEW SECTION.   **Sec. 947. CLASSIFICATION REVISIONS.**   Funding is  
36 provided for partial implementation of classification consolidation and

1 revisions under the personnel system reform act of 2002. Groups 2 and  
2 3 of the department of personnel's initial class consolidation plan are  
3 affected.

4 NEW SECTION. **Sec. 948. COLLECTIVE BARGAINING AGREEMENTS.**

5 Provisions of collective bargaining agreements contained in sections  
6 945 and 947 through 977 of this act are described in general terms.  
7 Only major economic terms are included in the descriptions. These  
8 descriptions do not contain the complete contents of the agreements.

9 NEW SECTION. **Sec. 949. COLLECTIVE BARGAINING AGREEMENT--WFSE.**

10 Funding is provided for the collective bargaining agreement reached  
11 between the governor and the Washington federation of state employees  
12 under the personnel system reform act of 2002. For employees covered  
13 under this agreement, funding is provided for a 3.2% salary increase  
14 effective July 1, 2005. Funding is also provided for a 1.6% increase  
15 effective July 1, 2006, until June 30, 2007, and for implementation of  
16 the department of personnel 2002 salary survey for classes more than  
17 25% below market rates.

18 NEW SECTION. **Sec. 950. COLLECTIVE BARGAINING AGREEMENT--WPEA.**

19 Funding is provided for the collective bargaining agreement reached  
20 between the governor and the Washington public employees association  
21 under the personnel system reform act of 2002. For employees covered  
22 under this agreement, funding is provided for a 3.2% salary increase  
23 effective July 1, 2005. Funding is also provided for a 1.6% increase  
24 effective July 1, 2006, until June 30, 2007, and for implementation of  
25 the department of personnel 2002 salary survey for classes more than  
26 25% below market rates.

27 NEW SECTION. **Sec. 951. COLLECTIVE BARGAINING AGREEMENT--UFCW.**

28 Funding is provided for the collective bargaining agreement reached  
29 between the governor and the united food and commercial workers under  
30 the personnel system reform act of 2002. For employees covered under  
31 this agreement, funding is provided for a 3.2% salary increase  
32 effective July 1, 2005. Funding is also provided for a 1.6% increase  
33 effective July 1, 2006 until June 30, 2007.

1           NEW SECTION.   **Sec. 952. COLLECTIVE BARGAINING AGREEMENT--**  
2 **TEAMSTERS.** Funding is provided for the collective bargaining agreement  
3 reached between the governor and the brotherhood of teamsters under the  
4 personnel system reform act of 2002. For employees covered under this  
5 agreement, funding is provided for a 3.2% salary increase effective  
6 July 1, 2005. Funding is also provided for a 2.9% increase effective  
7 July 1, 2006, until June 30, 2007, and for implementation of the  
8 department of personnel 2002 salary survey for classes more than 25%  
9 below market rates.

10           NEW SECTION.   **Sec. 953. COLLECTIVE BARGAINING--COALITION.**  
11 Funding is provided for the collective bargaining agreement reached  
12 between the governor and the coalition under the personnel system  
13 reform act of 2002. For employees covered under this agreement,  
14 funding is provided for a 3.2% salary increase effective July 1, 2005.  
15 Funding is also provided for a 1.6% increase effective July 1, 2006,  
16 until June 30, 2007, and for implementation of the department of  
17 personnel 2002 salary survey for classes more than 25% below market  
18 rates.

19           NEW SECTION.   **Sec. 954. COLLECTIVE BARGAINING--IFPTE.** Funding  
20 is provided for the collective bargaining agreement reached between the  
21 governor and the international federation of professional and technical  
22 engineers local 17 under the personnel system reform act of 2002. For  
23 employees covered under this agreement, funding is provided for a 3.2%  
24 salary increase effective July 1, 2005. Funding is also provided for  
25 a 1.6% increase effective July 1, 2006, until June 30, 2007, and for  
26 implementation of the department of personnel 2002 salary survey for  
27 classes more than 25% below market rates.

28           NEW SECTION.   **Sec. 955. COLLECTIVE BARGAINING AGREEMENT--SEIU**  
29 **1199.** Funding is provided for the collective bargaining agreement  
30 reached between the governor and the service employees international  
31 union, local 1199 NW under the personnel system reform act of 2002.  
32 For employees covered under this agreement, funding is provided for a  
33 3.2% salary increase effective July 1, 2005. Funding is also provided  
34 for a 1.6% increase effective July 1, 2006, until June 30, 2007, for

1 implementation of the department of personnel 2002 salary survey for  
2 classes more than 25% below market rates, and for adjustments to the  
3 salary grid.

4 NEW SECTION. **Sec. 956. COLLECTIVE BARGAINING AGREEMENT--WFSE**  
5 **HIGHER EDUCATION.** Funding is provided for the collective bargaining  
6 agreement reached between the governor and the Washington federation of  
7 state employees in higher education under the personnel system reform  
8 act of 2002. For employees covered under this agreement, funding is  
9 provided for a 3.2% salary increase effective July 1, 2005. Funding is  
10 also provided for a 1.6% increase effective July 1, 2006, until June  
11 30, 2007, and for implementation of the department of personnel 2002  
12 salary survey for classes more than 25% below market rates.

13 NEW SECTION. **Sec. 957. COLLECTIVE BARGAINING AGREEMENT--WPEA**  
14 **HIGHER EDUCATION.** Funding is provided for the collective bargaining  
15 agreement reached between the governor and the Washington public  
16 employees association in higher education under the personnel system  
17 reform act of 2002. For employees covered under this agreement,  
18 funding is provided for a 3.2% salary increase effective July 1, 2005.  
19 Funding is also provided for a 1.6% increase effective July 1, 2006,  
20 until June 30, 2007, and for implementation of the department of  
21 personnel 2002 salary survey for classes more than 25% below market  
22 rates.

23 NEW SECTION. **Sec. 958. COLLECTIVE BARGAINING AGREEMENT--WESTERN**  
24 **WASHINGTON UNIVERSITY, WFSE BU A.** Budget amounts reflect the  
25 collective bargaining agreement reached between the Western Washington  
26 University and the Washington federation of state employees bargaining  
27 unit A under the personnel system reform act of 2002. For employees  
28 covered under this agreement, provisions include a 3.2% salary increase  
29 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until  
30 June 30, 2007, and implementation of the department of personnel 2002  
31 salary survey for classes more than 25% below market rates.

32 NEW SECTION. **Sec. 959. COLLECTIVE BARGAINING AGREEMENT--WESTERN**  
33 **WASHINGTON UNIVERSITY, WFSE BU B.** Budget amounts reflect the  
34 collective bargaining agreement reached between the Western Washington

1 University and the Washington federation of state employees bargaining  
2 unit B under the personnel system reform act of 2002. For employees  
3 covered under this agreement, provisions include a 3.2% salary increase  
4 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until  
5 June 30, 2007, and implementation of the department of personnel 2002  
6 salary survey for classes more than 25% below market rates.

7 NEW SECTION. **Sec. 960. COLLECTIVE BARGAINING AGREEMENT--**  
8 **WPEA/PROFESSIONAL LOCAL 365 UNIT C--WESTERN WASHINGTON UNIVERSITY.**  
9 Budget amounts reflect the collective bargaining agreement reached  
10 between the Western Washington University and the Washington Public  
11 Employees Association bargaining unit C under the personnel system  
12 reform act of 2002. For employees covered under this agreement,  
13 provisions include a 3.2% salary increase effective July 1, 2005.  
14 Provisions also include a 1.6% increase effective July 1, 2006, until  
15 June 30, 2007, and for implementation of the department of personnel  
16 2002 salary survey for classes more than 25% below market rates.

17 NEW SECTION. **Sec. 961. COLLECTIVE BARGAINING AGREEMENT--WESTERN**  
18 **WASHINGTON UNIVERSITY, WFSE BU E.** Budget amounts reflect the  
19 collective bargaining agreement reached between the Western Washington  
20 University and the Washington federation of state employees bargaining  
21 unit E under the personnel system reform act of 2002. For employees  
22 covered under this agreement, provisions include a 3.2% salary increase  
23 effective July 1, 2005, and a 1.6% increase effective July 1, 2006,  
24 until June 30, 2007.

25 NEW SECTION. **Sec. 962. COLLECTIVE BARGAINING AGREEMENT--**  
26 **WASHINGTON STATE UNIVERSITY, WSU POLICE GUILD.** Budget amounts reflect  
27 the collective bargaining agreement reached between Washington State  
28 University and the Washington State University police guild bargaining  
29 unit under the personnel system reform act of 2002. For employees  
30 covered under this agreement, provisions include a 3.2% salary increase  
31 effective July 1, 2005, and a 2.9% lump sum payment effective July 1,  
32 2006.

33 NEW SECTION. **Sec. 963. COLLECTIVE BARGAINING AGREEMENT--**  
34 **WASHINGTON STATE UNIVERSITY, WFSE BU 1 AND 11.** Budget amounts reflect

1 the collective bargaining agreement reached between Washington State  
2 University and the Washington federation of state employees bargaining  
3 unit 1--research and extension units west of the Cascades, bargaining  
4 unit 5--library and bargaining unit 11--intercollegiate college of  
5 nursing under the personnel system reform act of 2002. For employees  
6 covered under this agreement, provisions include a 3.2% salary increase  
7 effective July 1, 2005. Provisions also include a 2% lump sum payment  
8 effective July 1, 2006.

9 NEW SECTION. **Sec. 964. COLLECTIVE BARGAINING AGREEMENT--**  
10 **UNIVERSITY OF WASHINGTON, SEIU 925.** Budget amounts reflect the  
11 collective bargaining agreements reached between the University of  
12 Washington and the service employees international union university-  
13 wide nonsupervisory, university-wide supervisory, research  
14 technologist, research technologist supervisor, and medical/laboratory  
15 technologist bargaining units under the personnel system reform act of  
16 2002. For employees covered under this agreement, provisions include  
17 a 3.2% salary increase effective July 1, 2005, a 1.6% increase  
18 effective July 1, 2006, until June 30, 2007, implementation of a  
19 University of Washington salary survey, and adjustment to the salary  
20 grid.

21 NEW SECTION. **Sec. 965. COLLECTIVE BARGAINING AGREEMENT--**  
22 **UNIVERSITY OF WASHINGTON, WFSE.** Budget amounts reflect the collective  
23 bargaining agreements reached between the University of Washington and  
24 the Washington federation of state employees campus-wide, library,  
25 custodial supervisor, Harborview medical center, and Harborview medical  
26 center public safety officers bargaining units under the personnel  
27 system reform act of 2002. For employees covered under this agreement,  
28 provisions include a 3.2% salary increase effective July 1, 2005, a  
29 1.6% increase effective July 1, 2006, until June 30, 2007, and  
30 implementation of a University of Washington salary survey.

31 NEW SECTION. **Sec. 966. COLLECTIVE BARGAINING AGREEMENT--**  
32 **UNIVERSITY OF WASHINGTON, WFSE, SKILLED TRADES.** Budget amounts reflect  
33 the collective bargaining agreements reached between the University of  
34 Washington and the Washington federation of state employees, skilled  
35 trades bargaining unit under the personnel system reform act of 2002.

1 For employees covered under this agreement, provisions include a \$1.00  
2 per hour increase effective July 1, 2005, an increase in shift  
3 differential pay, and an adjustment to the grid.

4 NEW SECTION. **Sec. 967. COLLECTIVE BARGAINING AGREEMENT--**  
5 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW PROFESSIONAL AND TECHNICAL.**  
6 Budget amounts reflect the collective bargaining agreement reached  
7 between the University of Washington and the service employee  
8 international union Harborview medical center professional and  
9 technical bargaining unit under the personnel system reform act of  
10 2002. For employees covered under this agreement, provisions include  
11 a 1.5% salary increase effective January 1, 2006, a 1.5% salary  
12 increase effective January 1, 2007, an adjustment to the salary grid,  
13 and changes in premium pay.

14 NEW SECTION. **Sec. 968. COLLECTIVE BARGAINING AGREEMENT--**  
15 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW NURSES.** Budget amounts  
16 reflect the collective bargaining agreement reached between the  
17 University of Washington and the service employee international union  
18 Harborview medical center registered nurse bargaining unit under the  
19 personnel system reform act of 2002. For employees covered under this  
20 agreement, provisions include a 2.0% salary increase effective July 1,  
21 2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary  
22 increase effective January 1, 2007, an adjustment to the salary grid,  
23 and changes in premium pay.

24 NEW SECTION. **Sec. 969. COLLECTIVE BARGAINING AGREEMENT--**  
25 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW SOCIAL WORK.** Budget  
26 amounts reflect the collective bargaining agreements reached between  
27 the University of Washington and the service employee international  
28 union Harborview medical center social work and health care specialist  
29 bargaining units under the personnel system reform act of 2002. For  
30 employees covered under this agreement, provisions include a 2.0%  
31 salary increase effective July 1, 2005, a 2.0% salary increase  
32 effective July 1, 2006, a 1.0% salary increase effective January 1,  
33 2007, an adjustment to the salary grid, and changes in premium pay.

1        NEW SECTION.    **Sec.    970.    COLLECTIVE    BARGAINING    AGREEMENT--**  
2    **UNIVERSITY OF WASHINGTON POLICE OFFICERS ASSOCIATION.** Budget amounts  
3 reflect the collective bargaining agreements reached between the  
4 University of Washington and the University of Washington police  
5 officers association bargaining unit under the personnel system reform  
6 act of 2002. For employees covered under this agreement, provisions  
7 include a 3.2% salary increase effective July 1, 2005, a 1.6% increase  
8 effective July 1, 2006, and longevity pay increases.

9        NEW SECTION.    **Sec.    971.    COLLECTIVE    BARGAINING    AGREEMENT--**  
10 **UNIVERSITY OF WASHINGTON WFSE UW POLICE MANAGEMENT.** Budget amounts  
11 reflect the collective bargaining agreements reached between the  
12 University of Washington and the Washington federation of state  
13 employees police management bargaining unit under the personnel system  
14 reform act of 2002. For employees covered under this agreement,  
15 provisions include a 3.2% salary increase effective July 1, 2005, and  
16 a 15% supervisory differential effective July 1, 2006.

17       NEW SECTION.    **Sec.    972.    COLLECTIVE    BARGAINING    AGREEMENT--**  
18 **UNIVERSITY OF WASHINGTON WASHINGTON STATE NURSES ASSOCIATION.** Budget  
19 amounts reflect the collective bargaining agreement reached between the  
20 University of Washington and the Washington state nurses association  
21 university medical center registered nurses bargaining unit under the  
22 personnel system reform act of 2002. For employees covered under this  
23 agreement, provisions include a 2.0% salary increase effective July 1,  
24 2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary  
25 increase effective January 1, 2007, an adjustment to the salary grid,  
26 and changes in premium pay.

27       NEW SECTION.    **Sec.    973.    COLLECTIVE    BARGAINING    AGREEMENT--**  
28 **UNIVERSITY OF WASHINGTON INLAND BOATMEN'S UNION.** Budget amounts  
29 reflect the collective bargaining agreement reached between the  
30 University of Washington and the inland boatmen's union of the Pacific  
31 Thompson research vessel crew bargaining unit under the personnel  
32 system return act of 2002. For employees covered under this agreement,  
33 provisions include a 3.2% salary increase effective July 1, 2006, and  
34 a 1.6% salary increase effective July 1, 2006, until June 30, 2007.

1           NEW SECTION.   **Sec. 974. COLLECTIVE BARGAINING AGREEMENT--WFSE**  
2 **UNIT 2 EASTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the  
3 collective bargaining agreement reached between Eastern Washington  
4 University and the Washington federation of state employees bargaining  
5 unit 2 under the personnel system reform act of 2002. For employees  
6 covered under this agreement, provisions include a 3.2% salary increase  
7 effective July 1, 2005. Provisions also include a 1.6% salary increase  
8 effective July 1, 2006, until June 30, 2007, and for a \$500 lump-sum  
9 payment to full-time employees, and pro-rated for part-time employees,  
10 effective July 1, 2005.

11           NEW SECTION.   **Sec. 975. COLLECTIVE BARGAINING AGREEMENT--WFSE**  
12 **UNIT 1 EASTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the  
13 collective bargaining agreement reached between Eastern Washington  
14 University and the Washington federation of state employees bargaining  
15 unit 1 under the personnel system reform act of 2002. For employees  
16 covered under this agreement, provisions include a 3.2% salary increase  
17 effective July 1, 2005. Provisions also include a \$500 lump-sum  
18 payment to full-time employees, and pro-rated for part-time employees,  
19 effective July 1, 2005, and a lump sum payment of 1.6% of annual salary  
20 effective July 1, 2006.

21           NEW SECTION.   **Sec. 976. COLLECTIVE BARGAINING AGREEMENT--WFSE**  
22 **UNIT 2 CENTRAL WASHINGTON UNIVERSITY.** Budget amounts reflect the  
23 collective bargaining agreement reached between Central Washington  
24 University and the Washington federation of state employees bargaining  
25 unit 2 under the personnel system reform act of 2002. For employees  
26 covered under this agreement, provisions include a 3.2% salary increase  
27 effective July 1, 2005. Provisions also include a 1.6% increase  
28 effective July 1, 2006, until June 30, 2007, and for implementation of  
29 the department of personnel 2002 salary survey for classes more than  
30 25% below market rates.

31           NEW SECTION.   **Sec. 977. COLLECTIVE BARGAINING AGREEMENT--WFSE**  
32 **UNIT 1 CENTRAL WASHINGTON UNIVERSITY.** Budget amounts reflect the  
33 collective bargaining agreement reached between Central Washington  
34 University and the Washington federation of state employees bargaining  
35 unit 1 under the personnel system reform act of 2002. For employees

1 covered under this agreement, provisions include a 3.2% salary increase  
2 effective July 1, 2005. Provisions also include a 1.6% increase  
3 effective July 1, 2006, until June 30, 2007, and for implementation of  
4 the department of personnel 2002 salary survey for classes more than  
5 25% below market rates.

6 NEW SECTION. **Sec. 978.** If any provision of this act or its  
7 application to any person or circumstance is held invalid, the  
8 remainder of the act or the application of the provision to other  
9 persons or circumstances is not affected.

10 NEW SECTION. **Sec. 979.** Except for sections 920 and 928 of this  
11 act, this act is necessary for the immediate preservation of the public  
12 peace, health, or safety, or support of the state government and its  
13 existing public institutions, and takes effect immediately.

14 NEW SECTION. **Sec. 980.** Section 920 (RCW 41.50.110) of this act  
15 takes effect July 1, 2006.

16 NEW SECTION. **Sec. 981.** Section 919 (RCW 41.50.110) of this act  
17 expires July 1, 2006.

18 NEW SECTION. **Sec. 982.** Section 928 (RCW 43.135.045) of this act  
19 takes effect June 30, 2005.

(End of part)

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1 Correct the title.

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